Saturday Night

Canada's Magazine of Business and Contemporary Affairs

AUGUST 29TH 1959 20 CENTS

CANADA

The Changing Nation

1939 - 1959

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at the

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CANADA The Changing Nation

The War: A Military Post-Mortem by John Gellner, 10

Politics: The Need for Unity by Marcus Long, 14

Foreign Policy: The Search for Status by Kenneth McNaught, 16

Business: The New Industrial Revolution by R. M. Baiden, 19

Departments:

Letters, 2
Comment of the Day, 4
Travel, 29
Books, 35
Gold and Dross, 38
London Letter, 42
Point of View, 44

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INSIDE STORY

In this issue SATURDAY NIGHT presents a comprehensive look at the past twenty years—the two decades which followed the first war year of 1939.

As background to the following material, Managing Editor **Herbert McManus** has provided a report on that year as it was seen through the eyes of SN editors and writers of the time. For those who lived through the period the article will recall many curious and half-forgotten attitudes and episodes; for younger readers it will be a footnote to history. Page 7.

Following naturally comes the war, approached here in the nature of a military post-mortem by Contributing Editor **John Gellner,** formerly of the RCAF Staff College. The attitude "Gad, Sir, we thrashed them, didn't we", he finds, is not enough. Page 10.

Two parallel and often interlocking aspects of our national maturity — domestic politics and foreign affairs— are discussed by Professors **Marcus Long** and **Kenneth McNaught** of the University of Toronto. In both fields there has been much groping and indecision; the achievements and the goals ahead are summed up in "The Need for Unity" and "The Search for Status" respectively. Pages 14 and 16.

In things material, no doubt appears. Canada's twenty-year economic expansion has been so great, so explosive, that the figures are almost hard to believe. Business Editor **R. M. Baiden** gives the over-all picture of the war-born surge and traces post-war development; he then examines the contribution each segment has made. His report begins on Page 19.

The amazing change in travel—from the "carriage trade" of 1939 to the mass movement of today—is documented by **John Fisher,** Executive Director of the Canadian Travel Association on page 29.

The Arts in Canada reveal a mixed pattern under the microscope of the experts: **Graham George** examines Music, **Robert Weaver** Literature, **Mavor Moore** The Theatre and **Paul Duval** Art. Not all echo Duval's wistful remark "twenty years from now I hope to make a more encouraging report". And in the Book Section, **Ernest Watkins,** himself the author of a book on Canada, reviews "Contemporary Canada" by **Miriam Chapin** which may well become the book of the year for many Canadian readers. Pages 31 to 37.

Letters

Obscenity and Taste

Your August 1 article "Pornography and Public Taste" overlooked several points. Though it is true that there is nothing immoral about a bare bosom, when such facts are presented in the wrong way, to the wrong people, at the wrong age and in the wrong circumstances, their natural effect is to incite lust. Our public is subjected daily to literature that provides a distorted, negative picture of love, marriage and the relationship between the sexes. All realize that enlightening readers with mere knowledge of human anatomy or sexual acts does not guarantee such knowledge will be directed intelligently into acts deemed legally and socially acceptable.

Criminologists, sociologists and psychologists have proven that there is a psychological nexus between constant reading of pornographic literature and certain sexual crimes.

I have before me a monograph showing the striking parallelism in symptoms, stages and final motivation between dope addicts and pornographic literature addicts. Literature whose predominant theme appeals to prurient interest has no social function of informing but merely "entertains" by pandering to eroticism. But it fills the publisher's coffers.

If what is obscene is a matter of individual taste, let us now scrap the world's legal codes dealing with all sex crimes as the arbitrary attitudes of prejudiced lawmakers.

MONTREAL NORMAN J. RUSTIGAN

Laws of God and Man

Arnold Edinborough's article "Pornography and Public Taste" contains dangerous half-truths. It is agreed that sex is good — God made it. But since He is the maker He has the right to tell us when and when not to use it. Some practices that Mr. Edinborough implies in his half-truths are strictly contrary to the law of God, which, incidentally, the state has an obligation to uphold. His statement: "Even if these magazines lead to an increase in sex relationships, this is not wrong" is very vague. In marriage it may not be wrong but it sure is outside of marriage. His following statement seems to imply that "outside of marriage" is exactly what he means: "If both parties are of the age of consent, there is absolutely nothing criminal about the sex act — or obscene, or indecent."

Has Mr. Edinborough forgotten this: "Do not err; neither fornicators, nor idolaters, nor adulterers, nor the effeminate, nor sodomites . . . will possess the kingdom of God." 1 Cor. 6:9-11.

Sex passion is very difficult to control, but the individual must control it or be damned to Hell for eternity. Reading *obscene* and *immoral* literature makes control an almost impossible task. A man's thoughts should be on a higher level.

"Now the body is not for immorality, but for the Lord, and the Lord for the body . . . Do you not know that your bodies are members of Christ? Shall I take the members of Christ and make them members of a harlot? By no means!" 1 Cor. 6:13-15.

KITCHENER THEODORE MEISNER

The Gasoline Problem

Many service station operators across Canada read with a great deal of interest your commentary on gasoline lockouts in "Comment of the Day" [SN: July 18]. Our office had a great many comments on the article, complimenting SATURDAY NIGHT on its objectivity.

We can well understand why both SN and the general public are confused and certainly agree that we "should be engaged in a really hard sell, not in lock-outs."

I would like to point out, at the outset, that our organization — the National Automotive Trades Association, national organization representing service station and garage operators throughout Canada— in no way condoned the gasoline lockout in Toronto. NATA President Sven Jensen, of Edmonton, made this clear in a statement to Toronto newspapers the day before the lockout started. After stating that the national organization is not sponsoring or condoning the proposed strike, President Jansen said: "the group of service station operators in Toronto who are instigating this action under the name of the Ontario Gasoline Retailers Association is a group not as yet connected in any way with the national association.

"While deploring the conditions in Toronto which have brought about the threatened strike of service station operators in that city, it is the policy of the national association to present the problem to the Federal Government in a proper manner rather than embarking on a program which could cause considerable inconvenience to the motoring public who are in no way responsible for the present marketing conditions in the gasoline business. To this end, the National Automotive Trades Association several weeks ago made formal application through the Minister of Justice for a full scale government inquiry into all phases of the retail petroleum business. The Minister has indicated that this request by the retail automotive trade across Canada is receiving active consideration and several of the points raised are already under government investigation. The national association is confident that the Minister of Justice will take steps to deal with the problem without the necessity of any minority group causing public inconvenience by attempting to organize strikes or closing up of service station outlets."

While we feel the industry should be able to settle its own problems, it has become quite apparent that the oil industry is unwilling to follow the usual dictates of the market place. Every other industry, in an oversupply situation, adjusts prices downward at the wholesale level.

The oil industry prefers to maintain the wholesale price, despite the usual interplay of supply and demand, and place all the stress at the retail level.

This simple fact should be apparent to everyone. A perusal of wholesale or "tankwagon" prices in Toronto over the past three months will give you the answer. Although the signs are now down the tankwagon price remains at 35.3 cents.

TORONTO S. S. DIXON

Public Relations Chairman,
National Automotive Trades Association

Blunder of the Century?

The letter of Alexis Caron, M.P., [SN: Aug. 1], was most interesting, not for what it contained, but for what it left out!

At enormous expense to the Canadian taxpayer, and with lavish promises of success, financial and otherwise, the St. Lawrence Seaway became an accomplished fact, and FLOP!

In other words, this much touted "Route from Atlantic to Great Lakes" is in the same category as the four-lane Metropolitan Blvd., from Montreal to St. Anne de Bellevue which ends in a pre-historic bridge at the latter place, resulting recently in a 7-hour traffic jam.

So, the St. Lawrence Seaway comes to

the same inglorious conclusion at the Welland Canal, with ships tied up for days because of this canal's inability to handle the kind of traffic for which the Seaway was built.

Who blundered? Was it a *political* blunder of the first magnitude by the government of which Lionel Chevrier was a prominent figure? Or was it an *engineering* error for which *there is no possible excuse?*

Whichever way you look at it, the remedy, duplication of the Welland Canal, is going to cost the Canadian taxpayer more untold millions of dollars of his hard-earned money.

Shipowners, being on the whole hard-headed businessmen, are not going to risk the loss of thousands of dollars per day just to help Mr. Hees' rosy utterances come true.

Stripped of all political and other hokum, the "Seaway" was only an excuse to get cheap electric power for Canadian and United States industry at the taxpayer's expense. Barnum was right!

MONTREAL J. NAPIER

Bleak Houses

Accompanying the article, "Dublin's Autumn Theatre Festival," [SN: Aug. 1] a picture is shown with the caption, "Capital city of Dublin offers many wonderful examples of graceful eighteenth-century Georgian architecture."

If others can see anything wonderful or graceful in the facades depicted, certainly I cannot. To me they are little better than the dreadful bleak tenements which abound in other cities in the British Isles, particularly in Glasgow and Edinburgh, Scotland.

WINNIPEG G. F. MUNRO

The Farmer Replies

If your editorial concerning bread prices [The Bread Bill — SN: July 18] had declaimed as vigorously the high price of farm machinery as it did the proposed 1 cent a loaf increase in the price of bread it might have been more effective.

Although you admit that wheat prices have declined about 21% since the end of the war, and complain that the price of bread has risen "a staggering 108.5%" in the same period, it is stated that there is no reason why farmers should press for a small increase in the price of wheat. Oh, indeed! While everyone else concerned with the manufacture and distribution of the "staff of life" may increase the price for their benefit, the farmer must be satisfied with less!

While wheat prices have declined 21% the price of the combines necessary to harvest the wheat has risen astronomically by nearly 250% in the same period. In 1946 a 12-foot self-propelled combine could be purchased with the proceeds from 1983 bushels of wheat. In 1958 it took the equivalent of 5593 bushels of wheat to pay for a similar combine. This is just one example of the tremendous increase in costs faced by farmers in the post-war era.

As if it isn't enough that farmers are faced with inflationary prices for everything they have to buy, they are continually being pressured into taking less for everything they have to sell.

Certainly food prices have increased, but so has everything else the consumer has to purchase in this era of inflated prices. In 1956 food costs had risen to 113.4 on the Consumer Price Index. Shelter costs at the same time had risen to 132.5. Unfortunately for them, farmers have not benefited in any way from the increase in food costs.

In 1956 an independent survey of seven representative countries made by the United Nations Food and Agricultural Organization showed that Canadian farmers were the hardest hit by the cost-price squeeze. Using 1952-53 prices for an index base of 100, the survey disclosed that prices received by Canadian farmers decreased steadily from the index base of 100 to 91 in the first quarter of 1954, further to 83 in the first quarter of 1956. In the same period prices paid by farmers showed a steady, relentless climb.

These statistics show how unfactual and nonsensical was this statement made in the same editorial, ". . . the Canadian farmer in trying to maintain bonanza World War II prices into the post war era, has already priced himself and his product out of the world market." Is it any wonder that the man in the street is so badly informed concerning farm problems when the so-called, well-informed press continue to make irresponsible statements like this?

Consumers and farmers (as well as editorial writers) would be better served if more attention was given to the fact that in terms of hours of work many food items are cheaper for the consumer today than they were 20 years ago just before World War II. For how many manufactured items can the same be said?

Farmers are plenty tired of being blamed for many of the economic ills of this country. Yet they are expected to maintain world markets despite competition from some of the heaviest subsidized farmers in the world (e.g. France, U.S.A., England, New Zealand) without anywhere near the same support from their government.

Unless the press takes the trouble to keep informed of the facts concerning agriculture, I would suggest that any further comment, such as in the editorial referred to, is irresponsible journalism of the worst sort.

HENSALL, ONT. (MRS.) E. J. KNIGHT

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Comment of the Day

Canada's Sin: Smugness

IT IS JUST TWENTY years since Hitler and his goose-stepping storm-troopers marched into Poland. Within three days both France and England were at war, almost glad of the opportunity to wipe out the black shame of the Munich pact. Within ten days Canada joined in.

That war did not devastate the Canadian countryside nor did it leave piles of rubble in Canadian streets. Materially we did well out of the war; for we suddenly had airfields where airfields had not been before, we had factories where there had been only semi-green fields, and an urgency to make our communications more effective.

So the face of Canada was changed. But the mind of Canada was changed, too. As a substantial helper through the Commonwealth air training scheme and as a direct participant in some of the more bloody battles of the war, we suddenly achieved both status and identity.

After the war, even the composition of our people was changed. There was an enormous influx of war brides and in ten years a million immigrants came, many of whom had been here and liked it during the war, or had talked with someone who had.

Canada 1959 is a very different place from Canada 1939, therefore, and that is why this issue of SATURDAY NIGHT is mainly devoted to charting the changes, many of which have come so slowly that their scope has not been noticed. We hope that our contributors, all of them competent, some even prejudiced, will make this issue one which people will want to keep as an interim report on Canada's emergence into world importance.

The record of the past twenty years as they outline it is a good one, but from all the evidence available, it looks as though Canada has one besetting sin: not pride, which we might have had, but rather smugness. We are apt to sit here in our enormous and excessively wealthy country and just let things happen, at the same time claiming that we made them happen. The plain fact is that it is European immigrants, American capital and British know-how which have often made them happen. It was the Old Vic, after all, which created our Stratford. It was Cyrus Eaton and his American money which created the new iron mines in Labrador. It is British machinery and American capital that have created much secondary industry, and it is American big labor which has been the real negotiator in many of the contracts which have helped the Canadian working man.

There is nothing inherently wrong in importing money and talents which we do not have, but there is something wrong, and very wrong, in not acknowledging this fact or even being aware of it. The British and American investors, the American labor leaders are only too happy for us to allow the infiltration. We should be less happy about it.

The task ahead of us therefore, in the next twenty years is to make Canada *our* country. It was the sacrifice of the men who fell in World War II which made it ours in spirit. It must be the present task to make it ours in fact. And the sacrifice may have to be as great in degree if not in kind.

Defence Against No Threat

SINCE PARLIAMENT is not in session, the Opposition cannot ask the question which has been bothering us this past week or so. We therefore address it directly to Mr. Pearkes.

After the recent conference between Mr. Pearkes and the United States' Mr. McElroy, it was announced that the two southerly radar warning lines, particularly the Pinetree line, would be strengthened. This strengthening is to plug gaps in our defence against bomber attacks. Even though it has not been directly stated, it can be fairly inferred that this strengthening will not be of any use at all against ICBM's, for the new heavy radars are effective only to limited heights and, as interceptor radars, do not control any anti-missile missiles. The formula to defray the costs of this plugging of radar line gaps is to be the same as that which was used earlier this year when a similar bolstering was talked of—that is, two-thirds to the United States, one-third to Canada. It would seem then that Canada's share of the two schemes will certainly not be less than one hundred million dollars.

Yet it is only a few months ago that Mr. Pearkes said that ballistic missiles would constitute the principal threat to this continent within eighteen months. This was when the government was justifying the abandonment of the Arrow project. At that time there was no bomber threat, or at least not much of a threat and that not for long.

Which brings us to the question. Now that the last Arrow has been reduced to scrap, how is it that the bomber threat is so acute that twice within six months we must contract with our partner in NORAD for hundreds of millions of dollars to be put into defences against it? Over to you, Mr. Pearkes.

Hurrah for Jubilee

WE HAVE TROTTED off dutifully to many a Canadian revue in the past few years, hoping that this one would be the show which would give us the kind of sophisticated, energetic enjoyment which such a performance sometimes excites in New York or London. We have all too often been disappointed. But not this week.

Jubilee, a show first written and produced for the Vancouver Festival and now transported to the Royal Alexandra in Toronto, is a delight.

It has enough of the old chestnuts—the Canadian flag, Vincent Massey, Canadian-American relations, the CBC—to make it recognizable as a Canadian revue, but it has such sparkle, such life, such obvious enjoyment on the part of the actors themselves that the audience is swept along with it.

The lyrics and sketches are sharply written and show a saucy irreverence; the whole review shoots one sacred cow after another. The Queen, for example, reads a speech and does the splits as the lock gate on which she is standing inexorably opens the Seaway. General Vanier, in his dress uniform, is identified as a member of the opera cast being entertained at a wild after-theatre party. The Minister of Transport is literally carried away (in fact by white-coated attendants) as his vision begins to expand the Seaway into the supply lines of Nationalist China's bastion on Formosa.

The two highlights of the revue are both fairly elaborate. One is a brilliant take-off of a performance by one of those singing quartets which Canada seems to have exported so regularly to the States, and the other an equally hilarious treatment of the attempt by a local church drama group to cope with Gluck's *Orpheus and Eurydice*.

The dialogue of *Jubilee* is sometimes corny, the puns are excruciating, the music is brassy but the performance is bold, energetic and bouncy. If it doesn't tour the country and delight audiences, even in school auditoriums, it will be not very much short of a national disaster, for it could do as much to prick us out of the smugness mentioned above as anything we have seen in many a long day.

Old Soldiers, New Statesmen

THE PEOPLE who are now in positions of authority and influence in Canada, coping with the problems brought about by the Second World War, themselves had an enviable record in the First World War.

In the Fourth Brigade in France in the first war, there was (in the 20th Battalion) a Captain Frost who is now Premier of Ontario. In the 21st Battalion, there was a Captain W. M. Nickle, who was wounded and decorated and who is now Minister of Planning and Development in Ontario. In the 22nd Battalion, there was a gallant major by name of Vanier who has now become the Governor-General of Canada. One of his fellow company commanders in the 22nd Battalion was a Major Power, who as Senator Chubby Power still exerts considerable influence in Ottawa. In the Sixth Brigade there was a Captain Green, who now controls External Affairs for Canada as the Hon. Howard Green.

Brigade artillery was commanded by Lieut.-Col. Keiller McKay, also wounded and decorated, and now Lieut.-Governor of Ontario, and one of his senior officers was George Drew, now High Commissioner in London.

We must change the old adage. Old soldiers do not die. They do not, in Canada, even fade away. They continue to make their presence felt long after their last command has echoed out over the parade square.

Square Peg

WE NOTE from the invitation to attend its 34th annual convention next week in Toronto that the Canadian Podiatry Association has as its president Norman D. Foote.

A Welcome Move

THE CANADIAN BUSINESS community will welcome the immigration to Canada of the top executives of Aluminium Limited.

Aluminium Limited is one of Canada's largest companies with subsidiaries extending across Europe down through the Caribbean and Africa and into such far places as Australia, India and Japan. It is a Canadian company with headquarters in Montreal even though a large percentage of shares are held in the United States.

The five chief officers of the company are the president, Nathanael V. Davis, with an office in Boston, James A. Dullea, secretary, Dana T. Bartholomew, chief financial officer, E. G. MacDowell, chief Sales management officer, and Edwin J. Mejia, chief employee relations officer.

Up to now these latter four had corner offices in a New York skyscraper. Recently Edwin J. Mejia moved to Montreal, MacDowell retired and Bartholomew and Davis are now house hunting in Montreal.

The company says that since the headquarters is here, it is logical that the principal officers would eventually come to live here. But there may be more to it than that. It may well be that certain considerations which arose after the "aluminum for Red China" incident [SN: Feb. 14] have hastened the move. For with the principal officers here in Canada, (assuming that they become Canadian citizens) the US Anti-Trust Laws could have no effect on the operations of Aluminium Limited.

Whether or not it was the attitude of the State Department which hastened the move, the Montreal community and business generally in this country will welcome the new arrivals. After all, Aluminium Limited is a Canadian show company, and the more Canadian it is, the better it will show.

Peripatetic Pensions

MANY RETIRED people who have spent their whole productive life in Canada have complained about their inability to get an old-age pension paid to them if they go to live in another country. Why, they ask, is it not possible for elderly Canadians to live in a more pleasant climate in their declining years and get the money which is their right and due from a country for which they have worked so long.

For those who want to retire to Britain there is now some gleam of hope. In a reply to a newspaperman's question in Montreal recently, Sir Savile Garner, the United Kingdom High Commissioner, said that the governments of Canada and the UK are discussing a reciprocal social security agreement. Though the High Commissioner gave no further details, one can deduce the kind of agreement from reciprocal treaties already signed between Britain and other members of the Commonwealth and many European countries.

Generally the terms are confined to what are known as cash benefits. These include cash sickness benefit, unemployment insurance and the old age pension. Thus if the treaty is ultimately signed, a British immigrant can begin to be covered by unemployment insurance from the moment he lands instead of, as at present, depending on relief payments. Similarly a person who went from Canada to Britain would not impair his right to an old age pension at British rates while there or at Canadian rates if he eventually came back here. He wouldn't ever get two pensions, but he would be sure of one in either country.

Such an arrangement already exists between most of the other Commonwealth territories and it will certainly be in the long term interests of Canada, for this arrangement, however, administratively inconvenient, has real advantage in human terms. One can only wonder why Canada has held off for so long from doing what other countries have been doing for years.

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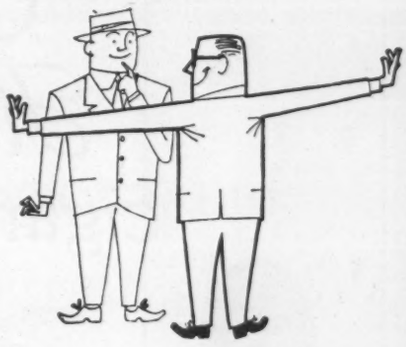

"You should 've seen the one that got away"

A standing joke with fishermen . . . but not so funny in business when a good plan to improve your business or product wriggles off the line for lack of proper financing.

Many a businessman has learned from experience that the difference between "landing" and "losing" the big one is often the financial counsel and backing he receives from his B of M manager in his day-to-day operations.

That's why it will pay you to discuss your plans with your B of M manager.

You will like his helpful, interested approach to your problems. And you can count on this: *when you ask for a loan at the B of M, you do not ask a favour ...if your proposition is sound and reasonable, there's money for you at the Bank of Montreal.*

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SD259

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LILIES
a traditional favourite

PETIT CORONAS
luxury in the shorter shape

PANETELAS
a popular choice

A distinguished family of cigars famous for the excellence of their select havana tobacco

House of Lords

HALLMARK OF A FINE CIGAR

Spectre of gas warfare haunted early days of war. Respirators were issued to all civilians as well as being an army essential.

Saturday Night

Background: A Portrait of 1939

by Herbert McManus

TWENTY YEARS AGO Canada marched, without flap but with a fair amount of fuss, to face the greatest experience in its national history.

For many Canadians it had not been a question of if, but of when. Militia units had been busy with medical boards for officers and with taking in new recruits. So that by June the camps were thronged and some new equipment (guarded like crown jewels) was available. But in July German ships were still loading timber at Maritime ports, lazy Swastikas drooping from their sterns.

Today, from the files of SATURDAY NIGHT, we can still get a vivid portrait of the land and its people. It is curious to note a growing hush as the months to September dragged on; after that, in the sense of relief over decision, natural argumentativeness broke out again. Canadians once more debated with each other and with their neighbors as to what should or should not be done and who should do it. The pages tell a fascinating story of how, for a while, talk took the place of action.

Canadians cannot be wholly blamed. They had the spectacle of a neutral neighbor, of an England incredibly ill-prepared and of a world still unconvinced of the deadly purpose and posture of Nazi Germany.

The gathering storm had also been joyfully forgotten for a while by Canadians who, as in 1959, celebrated a Royal Tour with all the trimmings. On May 17 the "King of Canada" (as SN triumphantly proclaimed His Majesty George VI) with Queen Elizabeth, arrived at Quebec "to begin a series of formal engagements" across the country. And their Lordships of the Admiralty drew the first rounds of criticism by their alleged super-caution in avoiding icebergs (the Royal Party traveled on the *Empress of Australia*) and so delaying the tour's start.

SN's pages of the time are filled with formal and informal Royal pictures which keep their charm to this day; with Prime Minister King at Banff, with President Roosevelt at Hyde Park; the four-year-old Quints on their way to a Toronto reception. There was too, the usual snarling at those in charge of arrangements and complaints about the "abuse" of the Press—1959 produced little new in this regard. SN made a distant bow to the newest medium of communication—the radio—for its coverage of the Tour, giving most of the credit, however, to the engineers and not the announcers.

Earlier, in April, SN had published a full-page picture of a "Birthday Princess" and her sister; on April 21, 1939 the present Queen celebrated her thirteenth birthday. Along with its worries about tour arrangements the magazine covered the Royal family through a series on the boyhood of King George VI; a 1939 picture showed him inspecting troops with General Sir Harold Alexander.

Another event of importance to Canada

The Royal Tour of 1939 was very much a "series of formal engagements". Here are King George VI and Queen Elizabeth with Rt. Hon. Raoul Dandurand at Ottawa.

early in the year was the inauguration of service from Montreal to Vancouver by Trans-Canada Air Lines. SN sent along on the first flight a staff editor who produced a piece with the then startling title "Flying Across the Dominion" illustrated by photographs of below-zero re-fuelling and views of the Rockies from above—something very few Canadians of the time had seen. The aircraft then used were Lockheed Super Electras—a name which has reappeared in 1959 on the airlines of the jet age.

Throughout the year military pictures blossomed in the pages of SN. In July the first pictures of the new "battle dress" appeared being, if you please, not worn by troops but "modelled" by two soldiers; months later other pictures chortled over the mass production of these garments. Generals in tin hats and wearing respirators adorned other pages (Gort, Ironside). Major Anthony Eden (as Captain Eden the former Foreign Secretary) was shown under canvas with his regiment. Sandbags began to appear around London buildings and tapes on plate glass windows. But it was still all strangely theatrical.

Mobilization of Canada's first two divisions was made possible only on the foundation of the Militia regiments; incredible shortages of clothing, equipment and accommodation hampered training efforts. But things on the whole went fairly well, troops were tucked away in requisitioned buildings and except for the bitterness of the unaccepted ("you have to be a dook's son to get into this army") soon forgotten by many civilians. In December the First Division was safely moved to England to suffer the bitter cold of the winter of 1939-40. Long before this the country had returned to its petulant politics.

It is important to note how large unemployment loomed in the debates of the year. SN reported that the figures of unemployed for 1937—two years before—had reached the levels of the worst of the depression; Montreal, since the beginning of the depression had spent $22 million on direct relief. Politicians, without saying so, welcomed the anticipated benefits of war on this national headache. Manufacturers naturally saw the sources of large new orders but it is curious to note that these did not materialize until the situation abroad had grown almost desperate.

In 1939 W. L. M. King was consulting his oracles in Ottawa; Mitchell Hepburn was in Ontario's Queen's Park, gleefully twisting the tails of the Federal Liberals at every chance; Dr. R. L. Manion was the Conservative Leader and there was talk of an October election. A cartoon in SN showed "Bible Bill" Aberhart administering to Alberta "Social Credit Oil guaranteed to grow hair on a billiard ball". And Toronto City Council passed an anti-noise by-law, sarcastically greeted in SN's feature "The Passing Show" by Hal Frank.

In the Summer the big North American entertainment feature was the New York World's Fair, visited by thousands of Canadians and duly reported by SN Editor B. K. Sandwell and other writers. Canadian sculptors (including Frances Loring, Frances Wyle, Elizabeth Wyn Wood and Henry Herbert) and artists (Arthur Lismer, Lawren Harris, Prudence Hewart, Kay Daly, Paraskeva Clark, Emily Carr and Rody Kenny Courtice) had shows there and were recorded for SN readers in full-page photographic displays of their work.

In SN's book review section Morley Callaghan (see Books in this issue) and Edgar McInnis were regular contributors and were roundly abusing John Dos Passo's *Adventures of a Young Man* and Yeats-Brown's *European Jungle*. Music critic (and former editor) Hector Charlesworth had already discovered "The Problem of Musical Refugees". L. A. MacKay was reviewing Canadian poetry and J. V. McAree dissecting mystery novels in *The Crime Calendar*. The Canadian Authors' Association met in Halifax.

The magazine's financial section, after leading off with "More War Scares" calmly proceeded to discuss securities desirable for a "duration" hold; later it hedged admirably by a similar selection "in case of an early peace". History's promises were contained in the paper's 1939 concern over inflation—"Adam Smith Warned Us" —with simultaneous unemployment; SN was finally convinced that there would be a war boom. And in one issue it published a twelve-page feature section headed, with grave candor, "Why Hamilton?" Prospects for the Western crop were good.

Left: Major-General McNaughton, GOC 1st Canadian Division inspects a tank. Right: George McCullagh of "Globe and Mail", scolded by SN for radio talks.

Advertising, in growing volume, also told the story of the changing times. In July large two-color ads for the German State Railways were still running headed "Beautiful Germany" and prophetically promising that "Canadians need no visas". The local office of the organization was manned by unabashedly heel-clicking young Nazis. Before the travel trend turned later in the year to the U.S. southern resorts, the Atlantic steamship companies were advertising "Autumn Days in Europe are Delightful". Announcements of the 1940 models of motor cars were appearing in great number; the price of a '40 Packard was $1149.

As usual SN kept its keen political ear to the ground; in midsummer it asked Canadians, in its leading editorial, "Do You Want to Save the Country and Make Fifty Dollars?" (mentioning the sum respectfully). The competition was for the best political platform for each of the three parties. Winners, announced in August were: for the Liberals, R. J. Deachman, MP for Huron; for the Conservatives, Herbert Maxwell Bruce (son of the recent Lieutenant-Governor) and for the CCF, J. C. Harris of New Denver, BC. Signs of the times were that the first point of the Tory platform was "Unemployment", promising a national system of insurance and the first point of the Liberal, "Agriculture", addressed to farmers.

In its August 12 issue SN reported in pictures a cermonial visit (in full dress) of a battalion of The Guards to Paris and Captain B. H. Liddell Hart's book *The Defence of Britain* was reviewed by Lt.-Col. R. J. S. Langford (late the RCR) and warmly recommended to all members of the Canadian Forces. A week later the first test black-out was reported from London now "amply defended by balloons, cables, anti-aircraft guns and fighter planes". A contributor made another bad guess in an article "In Times of Crisis France Always Pulls Together."

In August of 1939 former Foreign Secretary Eden was back with his regiment. He had resigned over difference with PM Chamberlain on the Munich policy.

By September 2 SN reported that Prime Minister King had decided against an Autumn election; it made a wrong estimate in the Financial Section in "War Now or Later" but contentedly reported (with pictures) that "Halifax is Well Guarded". As in 1959 the Band of the Royal Marines was at the CNE.

It was not until the issue of September 9 that B. K Sandwell wrote: "The Wheel of the quarter-century has come full circle . . . The 'peace' of 1919 has brought on the war of 1939".

But things soon began to perk up. Later that month SN reported that in the U.S. Irene Castle had introduced a new dance "The Castle Rock and Roll". The CBC was in hot water over its broadcasts of Hitler's speeches and comment rolled across the country. In July the CBC had been in trouble over its proposed allotment of time for political speeches; in August it was in trouble over the unionization of its employees.

On October 14 the appointment of General McNaughton to the command of the First Canadian Division was announced; on October 28 SN published pictures of Russian and German troops fraternizing and Colonel George Drew began a series of articles for SN (illustrated by his own pictures taken in Russia) including "The Riddle Wrapped in Mystery That Is Russia".

In November George McCullagh, publisher of *The Globe and Mail,* was scolded by SN for a series of "intemperate" radio broadcasts; Stephen Leacock's pamphlet in the Oxford International Affairs series "All Right Mr. Roosevelt" was described as "one of the most delightful things written since the outbreak of war".

Like everyone else in Canada, SN was feeling somewhat better in December. It pondered the possibility of a revolt in Germany and alleged that a shortage of gasoline was a menace to that country. But it also noted that the "Nazi Food Shortage is Not Decisive". It published a picture of Brigadier Crerar, Colonel P. J. Montague and Lt.-Col. E. L. M. Burns forming the "advance guard" of the Canadian Forces Overseas. It published a picture of General McNaughton and noted the landing of the Canadian troops.

And, in December as well, SATURDAY NIGHT published an article: "Winston Churchill, Hitler's Real Foe". This time it was right.

In December of 1939 the main body of the First Canadian Division arrived in England. General McNaughton replies to speeches of welcome at the dockside.

At Dieppe a complete plan of the operation was carried ashore by Canadians and captured by Germans.

The War: A Military Post-Mortem

by John Gellner

WHEN THE SECOND World War broke out the antagonists were Germany against Great Britain and the Commonwealth, France, and Poland. The scales seemed to be heavily weighed against Hitler. He did not have quantitative superiority either in men or in matériel. Even worse he had not achieved strategic surprise. Poland must have known as early as March 1939 that it would be attacked in the very near future. By about the same time, Chamberlain's delusion that with the Munich Agreement he had ensured "peace in our time" had yielded to a more realistic appraisal of the situation, for on March 31 he gave Poland assurance of British support in case of a German attack.

As for France, she had undoubtedly counted on the possibility of a German war of revenge ever since June 28, 1919, the day she signed the Versailles Treaty. That such a war would come sooner or later became pretty well a certainty when the French occupied the Ruhr, in January, 1923. Finally, the German occupation of the demilitarized zone on the left bank of the Rhine, the natural jumping-off area for an attack on France, in March 1936, showed plainly that now the war could only be a very few years away. In actual fact, the French were braced against the shock of another German attack for many years before it occurred.

Why then did the Germans go from victory to victory in the opening stages of the war? How was it that they could come within a deuce of final triumph?

First of all, we must dismiss as a myth the story of the Nazis being helped in their conquests by a well-organized and fanatically devoted "fifth column". There is ample evidence to show that such help (even where it was forthcoming, as in Poland where there were cases of German nationals sniping at Polish troops) had no influence whatsoever on the outcome of the campaign. In Holland, the Germans dropped a parachute unit dressed in Dutch uniforms, but German soldiers disguised as nuns or in similarly outlandish fashion or widespread sabotage carried out in the Allied rear by Nazi sympathisers were figments of the imagination of panicky civilians groping for an explanation for the collapse of their national armed forces. German military leadership was imaginative to a point, but playing at "cops and robbers" was definitely not its line.

On the other hand, the Germans' tactical superiority over their opponents was very real; on the ground it lasted practically to the end of the war. We suffered from too many and too zealous staff officers, and thus from a surfeit of plans and orders. On our side, usually only the highest commanders made decisions on the spot. To give an example, the plan for the Dieppe Raid was a book of 199 pages, and so that no field commander should deviate from it, three copies were actually taken ashore for ready reference (the Germans got one of these when they captured the Canadian brigadier who carried it). One of the principal reasons for the failure of the raid was that this elaborate plan was in part based on faulty intelligence, yet was rigidly adhered to because this was the *modus operandi* in the Allied armies. It remained so throughout, and tactical clumsiness was the conse-

quence.

Above all, German military superiority came from the fact that they had a cohesive strategic concept of the war they wanted to fight, while we had none. Their tactics were a logical consequence of their chosen strategy; our strategy was derived from the tactics which we believed we could safely adopt.

The Germans developed the strategy and tactics of the "Blitzkrieg", and accepted their inherent grave risks, because they knew that they did not have the time to wage any other kind of war: they had to win in the West before the military potential of the Commonwealth was translated into real force, before American aid to the Allies (with which the German High Command counted from the start) became armed intervention, and before the Soviet Union was strong enough to brush aside its shaky accommodation with Germany and resume its westward push.

The Allies, on the other hand, thought vaguely of a war of attrition, but one which would be won with a minimum of fighting. This in itself was a contradiction: wars of attrition have invariably been the most sanguinary of all, apart from being the most destructive. What they really thought would happen is not clear even today, for the planners of the Allied campaign in the West, Gamelin, Georges, Debeney and the rest, have, understandably perhaps, written no memoirs. They cannot have seriously believed that the Germans would do them the favor of hurling themselves frontally into the guns of the Maginot Line; nor that they, too, would stand still and let time work for their enemies.

At any rate, a strictly defensive policy on the ground would have made sense for the Allies only if they had intended to build up, under the protection of the Line and of the Channel, huge bomber forces as the main instrument of the war of attrition which they proposed to wage. They did not even do that. This absence of all strategic thought could only lead to the collapse of May 1940.

Hitler accepted the risks inherent in "Blitzkrieg" policy.

The French debacle was a catastrophe politically even more than militarily. For, incredible as this may sound, the German strategy had also failed in 1940, because it was one in which everything was staked on a single throw of the dice. Being a strategy of all or nothing, it came to naught when Hitler proved that he was not statesman enough to offer to the British, after the fall of France, peace terms which they could accept, and when the British Government, despite the precarious military position, showed the fortitude to refuse to allow the Germans to keep any of their spoils of victory as the price of peace. The German attempts to mount "Operation Sealion", and even the Battle of Britain, mattered less than the resolve of Churchill and his colleagues: these German moves were only the first stages of a war of attrition for which Germany was not prepared, which it never wanted to fight, and which it had little chance of winning.

Unfortunately, there was no way by which we could have profited politically from the failure of German strategy. For the defeat of the original Western alliance also meant that sooner or later Russia would come into the war on our side, either because she was attacked by Germany or Germany was attacked by her, and that she would be the strongest member of a new partnership. If there was any merit in the Munich Agreement from the Western point of view—and there was precious little—it was that just such an alignment of forces was avoided. As it turned out, the political price which in the end had to be paid to the Soviets made our military victory illusory.

It might not have ended as badly as it did had it not been for the tendency of the Western leaders to keep military and political considerations neatly separated in the conduct of the war. Here, the Americans were the main culprits. They did not allow anything to interfere with the most efficient prosecution of the war as they understood it. The result were such actions, militarily reasonable but politically foolish, as the deal with Darlan in North Africa, the scuttling of British plans for a Balkan campaign, the buying of Soviet support against Japan in Yalta, the dropping of the atom bombs.

One little incident may serve to show how completely the American leadership failed to appreciate that in war (and, for that matter, in peace) political and military aims must always be identical: On April 30, 1945, Churchill urged the Americans to instruct General Patton to occupy Prague ahead of the Russians, as he could then have easily done, because

Playing at "cops and robbers" was not part of the German plan at any time.

Patton's Americans refused Churchill's urging to occupy Prague ahead of the Russians because it was "political".

of the political advantages which would accrue from it. General Marshall, in strongly advising against such action, wrote: ". . . I should be loath to hazard American lives for purely political purposes". It never occurred to him that the only purposes worth shedding blood for in war *are* political.

Nor were the Americans the only ones who were at fault. Fitzroy Maclean recalls an instance when he got this flippant reply from Winston Churchill whom he had tried to warn of the consequences of throwing all our support to Tito: "Do you plan to settle in Yugoslavia after the war?".

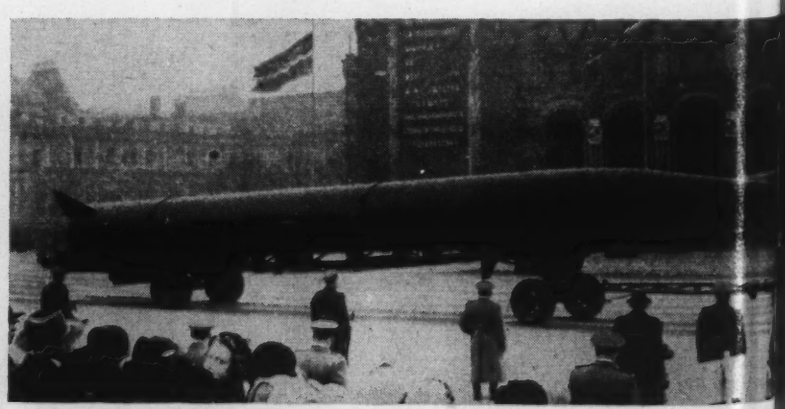
And so we went on merrily giving help to the Russians well beyond what was necessary to keep them in the fight; forcing exiled governments to come to terms with Communist groups in their countries; supporting resistance movements without regard to their political coloring (after the war, some of them turned against us the arms which we had provided them with to fight the Germans and Japanese). Throughout, the West was content to fight the war in a political vacuum, just as before the war it had conducted its foreign policy in a military vacuum.

We may skim over the Pacific War, not because it was not important but because, strategically, Japan's position was only an exaggerated version of the German. As a maritime nation utterly dependent on supplies carried across water, Japan had no chance of prevailing in a drawn-out conflict with the United States. Even more than Germany it had to win its "Blitzkrieg" or go under. The Japanese produced some military gems—their advance through Malaya to the capture of Singapore is perhaps the outstanding example of what can be achieved with the utmost economy of force—but once their offensive was checked by the Battle of Midway, and by the repulses in New Guinea and on Guadalcanal, the final outcome was only a question of time. As it happened, a war of attrition could in the end — after the reconquest of the Philippines, the seizure of Okinawa and of Iwo-Jima, and the inevitable entry into the war of the Soviet Union—have been waged against Japan with comparatively small losses. Bringing about a quick end by means of the nuclear massacres of Hiroshima and Nagasaki was an act of political folly.

If it is true that one learns best from mistakes, then the educational value of the history of the Second World War must be enormous. From the multitude of lessons which this war of lost opportunities should have taught us, three stand out: *Firstly*, there must be complete unity of political and military aims. Policy must be tailored to what can be enforced. The means of enforcement must fit the policies which they are supposed to back. *Secondly*, we need a coherent grand strategy for any type of conflict which may be forced upon us, not merely the one for which we have elected to prepare. *Thirdly*, and this is the lesson which has been most strongly driven in by the experiences of the last war, we must have the means of winning from the very day of the outbreak of hostilities.

This is a point which cannot be stressed too strongly. For most of the woes with which we are beset today on the international scene stem from the inability of the Western Powers to check Hitler in 1936 or, at the latest, in 1938, and, failing that, to defeat him in 1939. Surely, we must see by now that our vaunted capacity for fighting well with our backs to the wall and for winning always the last battle leads to political disaster. There is no virtue whatsoever in military unpreparedness; it is not so much the characteristic of peace-loving people as of fools. We must also at long last be rid of that suicidal brand of patriotism which, to use Churchill's words, in fact amounts to the idea that "good, decent, civilized people must never themselves strike till after they have been struck dead".

Unfortunately, as we can see from what we did and what we have failed to do in these 14 years since the end of the war, victory is a bad schoolmaster. It breeds "inertia legitimized by success" and defends fumbling and inaction. The Colonel Blimps thus still say: "Gad, Sir, we thrashed them, didn't we?". So we did—but it was a barren and profitless victory.



Russian rocket. One lesson from the war is that we must have the means of winning from the first day.

Bringing about a quick end by the nuclear massacre of Hiroshima was an act of great political folly.

INTERMINABLE OVERTURE

Some SN Cartoon Comment From 1939

YOU'RE IN THE ARMY NOW

LOCAL STATIC

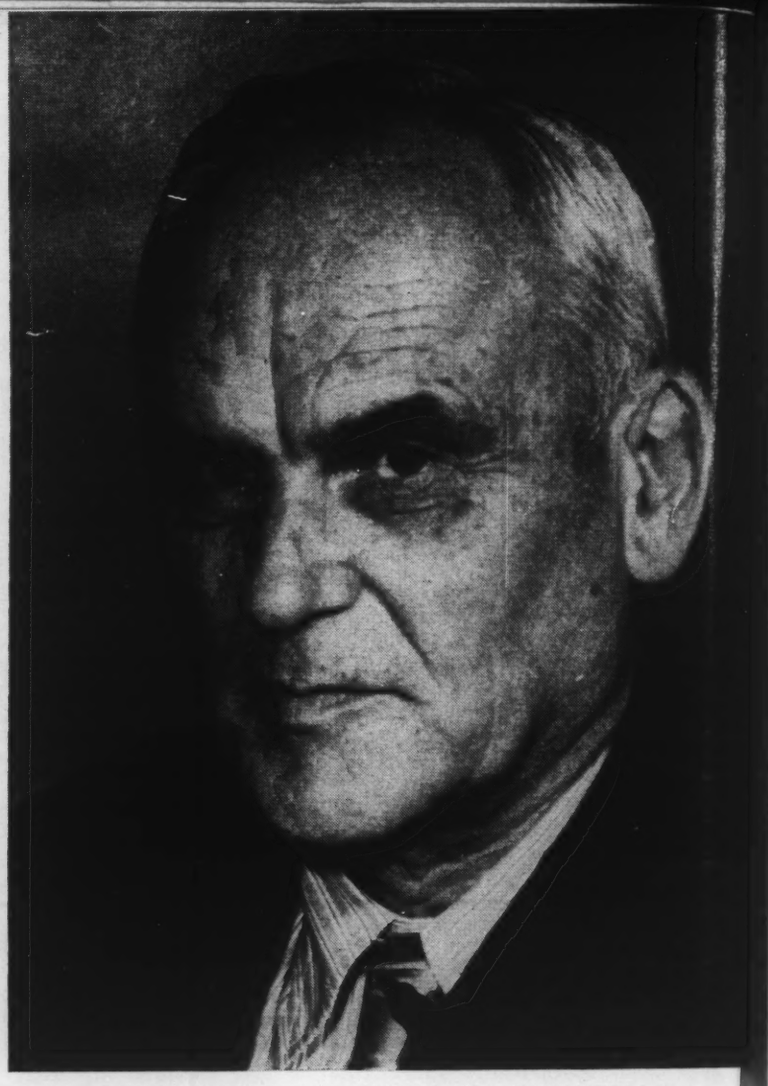
SOME OF THE CARTOONS in SATURDAY NIGHT during the first hectic days of the war seem very old-fashioned now. The *Interminable Overture* which Low portrayed was all-too quickly followed by the swift thrust into France in the following May. Hitler was not fooling after all. *The Shape of Things to Come* was truly prophetic. It was the Commonwealth Air Training scheme which did more than anything else to replace those grievous casualties which the allied air forces suffered.

Two of the cartoons deal with continuing problems. As R. M. Baiden's article on Page 19 shows, the Army concept for industry has never been far from Ottawa's mind. And Quebec's *Local Static*, as drawn by Les Callan, still has to be heeded by any Canadian government as Marcus Long points out on the next page.

THE SHAPE OF THINGS TO COME

Domestic Politics: The Need for Unity

by Marcus Long



The war made Canada a rich country and a great deal of credit must go to C. D. Howe. He ruled with despotic power but his skillful control of the economy kept inflationary pressure within reasonable bounds.

THE FRIENDS OF William Lyon Mackenzie King in the spirit-world must have been working overtime on his behalf during the last war. One fortunate event after another saved him from political disaster.

The delay of a week, the time needed for a reaffirmation of Canada's independence by a parliamentary declaration of war, made no difference to a conflict which remained dormant for months.

The conscription of able-bodied men for the defence of the Western hemisphere under the NRMA weakened the protests of the Anglophiles, the bellicose, the adventurous and others who wanted a total war effort and cut the ground from under much of the French-Canadian opposition to participation in England's wars. It was difficult for the *Canadien* to protest effectively against service for the defence of Canada, although many of them did even after the Japanese shelled Vancouver Island.

In July 1943 a Canadian brigade group, made up largely of Home defence troops including Le Régiment de Hull, joined the Americans to oust the Japanese from Kiska. Fortunately (the spirits be praised) the Japanese left the island before our troops got there, a neat way of preventing the certain slaughter of ill-equipped and poorly trained soldiers with no stomach for fighting. If the Japanese had remained, the public reaction to the loss of home defence troops would likely have been greater than the row that followed the disastrous error of Hong Kong.

By the end of 1944 the number of new volunteers for overseas service was not sufficient to meet the need for reinforcments. Col. Ralston urged the Prime Minister to use the powers granted to him by the plebiscite of 1942 which freed him from his earlier promise not to use conscripts for overseas service. Mr. King, correctly interpreting the favorable plebiscite as leaving the French-Canadian attitude unchanged, exhausted every possible method to find reinforcements before deciding to use the conscripts.

Only those involved in the affair know how far the government went in an effort to avoid raising an issue so threatening to Canadian unity. I had the unhappy task of helping to assess the suitability of a boatload of reinforcements for the Italian front. One actual story will tell more than a sheet of statistics.

I interviewed a man of 40 (average for frontline duty). He enlisted in 1939 and served in Scotland with the Forestry Corps. There he fell in love with a bonnie Scottish lassie. Unfortunately, in a medical recheck he was classified as unsuitable for overseas service and returned to Canada. There he found that he was fit enough to serve with the Medical Corps, applied for a transfer and soon found himself on a boat for England and a reunion with his love. While he was on the ocean an order was issued to transfer Medical Corps personnel to the infantry. I met him in Italy as a frontline reinforcement.

The war in northwest Europe brought the crisis to a head; Mr. King could delay no longer. Conscripts were ordered overseas. Fortunately the war was near an end. The anticipated uproar was little more than a whisper and Mr. King achieved his ambition of making a valuable Canadian contribution to the war effort without destroying the unity of Canada.

He did something more; he assured himself of continued power. It is usual for people, reacting to the necessary controls of wartime, to oust the government at the earliest opportunity. The British did it to Churchill. Churchill had more reason to expect a renewed lease of power from a grateful electorate than did King. Churchill was defeated; King was allowed to set a Commonwealth record for tenure of high office.

The vacillating policy of the Liberals

which had not pleased any section of the nation was so obviously better for national unity than the imperialistic urgings of the Conservatives that a more mature Canada stayed with them. The voters gave Mr. King's successor, M. St. Laurent, the biggest majority ever held by any party up to that time.

The Liberals received a boost from the booming economy. The war made Canada a rich country. The government, naturally, claimed much credit for the unavoidable prosperity, and great deal of credit *must* go to C. D. Howe. He ruled Canada, during the war, with despotic power. His skilful control of the economy kept inflationary pressures within reasonable bounds.

The postwar years brought new pressures. The easing of controls released savings for the purchase of scarce goods. The Opposition, including the Conservatives, urged Mr. Howe to impose extensive controls. He refused, something that ought to be recalled when charges of dictatorship are levelled against him. The economy survived.

Unfortunately the success of the Liberals went to their collective heads. They viewed themselves as indispensable, a fatal political illusion. Mr. Howe, in his role of economic Moses, showed unforgivable petulance at the delaying tactics of the opposition in the pipeline debate and Mr. Harris, so certain of the Liberals' hold on the good sense of the people, offered the country a sensible instead of a sunshine budget before the 1957 elections. The Liberals lost power on the unlikely issue of respect for Parliament urged by the unlikely leader, John Diefenbaker, whose conservative party only chose him because they had run out of leaders satisfactory to the Old Guard.

It is impossible to make any satisfactory analysis of the impact of Mr. Diefenbaker on Canada, in a limited space.

It is obvious he is continuing the trend, favored by the Liberals, of concentrating more and more power in Ottawa. Perhaps this is inevitable. Since the war there has been a growing demand for social welfare measures that best can be financed and administered by the Federal government. Even Quebec, that stalwart defender of provincial rights (often for the wrong reasons) has accepted some of the Federal handouts, finding the BNA act subject to such interpretation as favors the political fortunes of M. Duplessis.

The unbalanced nature of the Canadian economy dooms most of the ten provinces to varying degrees of poverty which makes it impossible for their governments to provide for their people what has been called a Canadian standard of living, without Federal assistance. The problem of finding a method of helping the needy without annoying the richer provinces remains unsolved. In tackling it, Mr. Diefenbaker has one advantage. Most of the provinces either have Conservative governments or governments like Union Nationale and Social Credit which are more conservative than Mr. Diefenbaker. Presumably the similarity of outlook should make cooperation easier.

Some qualification is necessary. There is a myth that the voters of Canada are so intelligent that when they weaken the Opposition in Ottawa they redress the balance by electing provincial governments from political parties other than the one in power at Ottawa. They have shown no such tendency since Mr. Diefenbaker swept the country. It may not be necessary. Those who recall the days of Mitchell Hepburn in Ontario will agree that similarity of political label does not always mean cooperation. Provincial leaders tend to be more concerned with their own provincial needs and their own political fortunes than the comfort and convenience of the Federal leader.

In any case, if Mr. Diefenbaker can strengthen his cabinet and avoid careless mistakes he should have plenty of time to tackle the problems. The Canadian voter suffers from inertia. Once a party has been given power it has an excellent chance of retaining it for some time. Even scandals, involving members of provincial cabinets, have not affected their party's prospects in recent elections.

The victory of the Conservatives in the last election did not depend on Quebec, although the increased support in that province indicated that it is not as isolated as some of its enemies suppose. The voters of Quebec preferred the policies and fractured French of Mr. Diefenbaker to the policies and fractured French of Mr. Pearson, a healthy sign that the lingering fear of imperialistic Conservatives is subsiding. They have received little from Mr. Diefenbaker in return. Unlike the Liberals, who found no one in Toronto with sufficient ability to assume ministerial responsibilities, the Conservatives have found this city a veritable storehouse of talent. Quebec is, to them, a barren wilderness.

I have no idea why this is so. It is possible to argue that Mr. Diefenbaker thinks he can improve the chances of continued political power for the Conservatives by manoeuvring the Liberals into the position of appearing to be a French-Canadian party. I hesitate to impute such a motive to a man of the stature of John Diefenbaker but facts have an insistent voice. Quebec should be given more consideration.

The present trend to socialism is likely to continue with or without the aid of the dying CCF party; the Canadian voter has learned that he can get favors for his vote. Insofar as it does, the tendency to concentrate more and more power in Ottawa will continue. The opposition of Quebec, in the name of provincial rights, should help to slow the descent to that political pit. Some opposition is certainly needed. Since the end of the war the Federal government has shown an unbecoming thirst for power and such a thirst is not easy to quench.

Col. Ralston, Minister of Defence, urged the use of conscripts.

Premier Duplessis has own BNA Act interpretation.

Foreign Policy: The Search for Status

by Kenneth McNaught

THERE CAN BE LITTLE doubt that the central aim of Canadian foreign policy has always been to guarantee our continued existence as a nation. From Sir John A. Macdonald to Mackenzie King the political leaders of this country sought to secure it against the possibility of physical invasion on the one hand, and on the other to cut to a minimum the influence in Canadian affairs exercised by external governments.

By 1939 it was also generally accepted that the goals of this external policy might best be achieved by maintaining a proper balance of the influences at work within the North Atlantic Triangle of Britain, the United States and Canada. Canadian experience had been that whenever the other two partners in the triangle followed divergent or clashing policies Canadian interests suffered perceptibly — and on a number of occasions Canadian borders were either crossed in force or adjusted to Canada's disadvantage. Out of this background there emerged the great Canadian search for "status."

It is abundantly evident that there has been a real divergence of party opinion in this matter—not on the essential goal of national status, but on the means by which that status might be fully realized and maintained. This difference, which came into sharp focus in the 1920's and 1930's had historic roots.

The Liberals, since 1867, had consistently emphasized their opinion that Canada's material interests were North American and thus that the United States was likely to be of greater importance in the North Atlantic Triangle than was Great Britain. The Conservatives, with equal consistency, had stressed the importance of Britain and the Imperial connection as a make-weight against the colossus to the south. By the time Mackenzie King took over direction of our external policy (1922) the critical point of decision in this typically Canadian problem of emphasis was at hand. The international position of Canada in 1939 was the direct result of King's answer to this problem—an answer given in the tradition of Laurier.

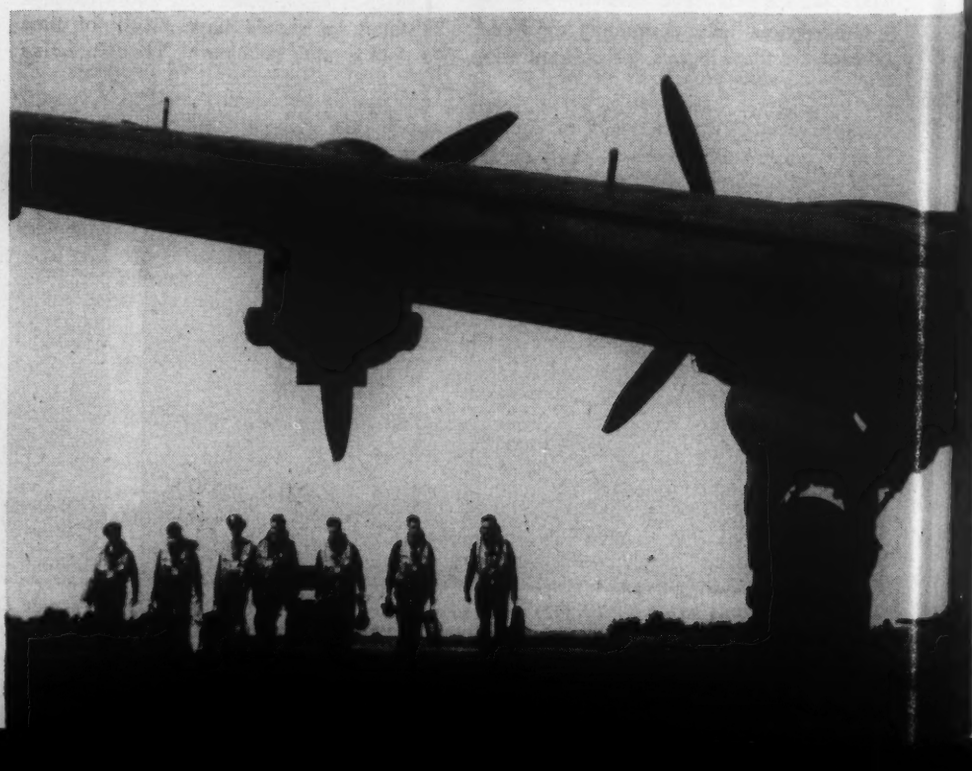
The ever-recurring note struck in King's purposely woolly statements on external relations was that any Canadian association with another state must be distinctly voluntary; that there must be nothing in the nature of a prior commitment to support a collective policy. In the course of the 'twenties and 'thirties Mackenzie King's Canada became more continentalist than the country had been in any previous twenty year period in its history.

Decisions running from those in the Chanak crisis, the halibut treaty of 1923 and the Statute of Westminster to the incessant denials of any obligation to the League of Nations rammed home the point. They served to smash the idea of continuous consultation on Commonwealth policy while at the same time they replaced it with no other well-defined attitude. Canada, in short, appeared to join the United States in continental isolation. And all this came at a time when New York had just taken over the position previously occupied by London as Canada's chief external source of capital. Clearly, by 1939, the traditional triangle was far askew.

Yet is was also apparent in 1939 that Canada's understanding of her own history was not very far beneath this surface isolationism and anti-imperialism. King refused, for example, to give government support to J. T. Thorson's resolution declaring Canada's legal right to neutrality in the event of a British-declared war. The government, also, was quietly preparing for complete co-operation with Britain: overseeing huge munitions orders and planning the very effective British Commonwealth Air Training Scheme. All of this was confusing to outsiders if not to Canadians themselves.

The dual line of isolationism and unwritten commitment to Britain was explained over and over again by King, Ernest Lapointe and their followers. It was, they said, the result of an overriding need to maintain Canadian unity. When asked in the House why they did not *declare* their policy, they retorted: "Do you want to split the country now?" That is, the government feared the divisive effect a formal commitment would have upon French Canadian and other isolationist opinion; but it also knew that in the case of a major aggressive war in Europe Canada would support Britain.

Thus the huge anomaly of September 1939. On the third of that month, Britain declared war and a special session of the Canadian Parliament was summoned. During the debate it became clear that a sufficient number of belligerent steps had already been taken by the government for Canada to be reasonably considered at war. In *fact* Canada was already at war when the vote was taken on the resolution which the Prime Minister said would authorize the government to take Canada into the war at Britain's side. In the week's interval between September 3 and the vote on September 10, no one inside or outside Canada really knew whether Canada had the constitutional right to be considered neutral. Even President Roosevelt considered it necessary to telephone Mackenzie King to verify our "neutrality" before allowing the export



Commonwealth Air Training plan confused the outsiders.

Pearson at NATO meeting. Has it increased East-West tension?

of war material to continue.

To sum up the position in 1939: Canada had taken the final step to sovereignty, not by a declaration, but by acting as if the power existed. The nation, if confused by King's adamant refusal to *say* what his policy was, nevertheless was ready to act on the unwritten commitment to Britain and the Commonwealth. While Canada had, during the 'thirties, snapped nearly all the formal bonds of the British connection, and was still anxious about her "status", she remained aware of the importance of Great Britain in keeping the North Atlantic Triangle in balance.

What changes have occurred to produce the drastically altered situation of 1959?

The magnitude of the Canadian war effort and the capacity of our government to lend substantial assistance towards the recovery of Britain and western Europe undoubtedly deepened the Canadian sense of actual independence. This feeling was further enhanced by a number of events which, to the "realists", seemed to confirm the dissolution of the old British Commonwealth. The war produced no Imperial War Cabinet nor did peace bring an Empire Delegation to a general peace conference. Instead, Canada joined the United Nations as a fully independent state. She also terminated the right to appeal to the Judicial Committee of the Privy Council and began the tortuous business of endowing herself with power to amend her own constitution.

In the UN no questions were raised, as they had been in the League of Nations, about Canada's membership giving Britain an extra voice. Canada entered the world organization with almost flamboyant independence. Her Prime Minister sprinkled his speeches with neat references to the new Middle Powers in the world, of which Canada was to be spokesman. Only occasional meetings of the Commonwealth Prime Ministers gave witness to the fact that, shorn of the colorword "British", the Commonwealth still held precariously to its existence. The acquisition of republican status by India confirmed the ambiguous fears of the doubters.

What actually happened after 1945 was that the Liberal party fulfilled its historic mission of completing the constitutional independence of Canada and of using our continental position to ensure a steady share of North American industrial wealth. Prior to 1939 these purposes may have required political stimulus. After 1945 the momentum got entirely out of hand and carried Canadians into a dilemma whose nature they are still struggling to comprehend. How can that dilemma be defined; and how far is it insoluble?

Very briefly the dilemma is this: having set the foreign policy goals of securing and defending our political independence in the eyes of the world, we decided that the necessary method was to keep friction to a minimum within the North Atlantic Triangle. This meant using whatever influence we possessed to obviate a divergence of policy between the United States and Great Britain. In order to do this it seemed necessary to minimize the British connection so that we might be regarded as an equal by the United States and Britain. But at the very point of realization, the power relationships in the triangle, as in the world at large, were so fundamentally altered that real Canadian independence seemed farther off than ever. Not only this, but the basis of economic prosperity, which Canada has always sought to make multilateral, also narrowed rapidly to dependence upon the United States.

In this light the foreign policy struggles of the Liberals after 1945 take on the aspect of a Greek tragedy. At first there were the King-St. Laurent doctrines of Middle Power status and functionalism. The world, they argued, was no longer divided into great and small Powers. There were countries in a middle bracket capable of wielding more influence than small Powers; but because they were not actually great Powers they should never try to lead and should accept the premise that leadership is a function of military power. The apparent contradiction in this argument rapidly became more than apparent.

Despite the kudos of membership on the Atomic Energy Commission (a courtesy carried over from the necessity of wartime collaboration), Canada's attempts to make effective the multilateralism of the United Nations went down before the refusal of the USSR and the USA to permit genuine independence of or even universal membership in UN. Within three years of the San Francisco founding conference Canada had abandoned hope of influential independence in the UN. She not only accepted the division of the world into two monster alliance systems but herself worked strenuously to this end in the preliminaries of the North Atlantic Treaty Organization.

It has been argued that Canada, like other nations of the West, was driven to this by "the fear of subversive communism allied to Soviet might." Yet few people have pointed out that the military power relationships of the world from 1945 to 1959 have not been affected by NATO in any basic way. The "realists" argue the military necessity of NATO yet they disregard the fact that the decisive factor in this period has been possession of nuclear striking power. Not only has this been almost entirely unrelated to NATO, but the United States has vigorously resisted real sharing of this power factor within its own alliance system. It has been plausibly argued that, far from strengthening the non-communist world, the military alliance system (which is essentially outside the United Nations system) has

Slemon of NORAD. The agreement placed the RCAF at the disposal of the USAF on this continent.

King and Nehru: Commonwealth and republicanism.

St. Laurent and Russians: Middle-Power status.

weakened it by contributing markedly to an increase in East-West tension.

However this may be, the international position of Canada in 1959 has been profoundly affected by her acceptance of the alliance structure. She is committed to the military support of policies decided upon in Washington much further than she ever was to imperial policies. It is true that the NATO Council has deliberative power and that Canada is represented thereon. It is also true that Canada's relative influence in NATO is far less than it would be in a Commonwealth deliberative body. Thus the concept of functionalism plus the refusal or inability to give real purpose to Commonwealth meetings have debased rather than enhanced Canada's international status.

The Conservatives, during the past two federal election campaigns, gave great emphasis to the upset in the triangular relationship. But once in power they have done little to redress the balance. The NORAD agreement placed the RCAF at the disposal of the United States on this continent and Canada appears to be officially anxious to join the nuclear arms club under United States sponsorship. Conversely, the gestures towards the Commonwealth have been extremely hesitant. The latest DBS figures show that our trade with the United States continues to grow while that with the United Kingdom is still decreasing. The expansion of American investment, with its resultant control of an ever larger section of Canadian industrial and commercial policy and profits is entirely unabated.

In short, one must challenge the "realists" and the "functionalists" to show how Canada's *actual* independence is not considerably less in 1959 than it was in 1939. Having foregone the Commonwealth as far as foreign policy is concerned, she also let slip any chance of influencing such policies as those which led to the Suez crisis; having put all her eggs in the American basket she is unable to influence seriously American policy in such critical areas as China and Germany. The total result is reflected not only in Canadian affairs. The absence of any counterprevailing political-moral pressure such as the Commonwealth could exercise in world affairs is also reflected in the final boiling down of international negotiation to the personal meetings of Nixon, Eisenhower and Mr. K.

If one must admit that the world of 1959 does not permit the kind of national independence towards which Canadian policy was directed in the 1930's, Canadians should debate seriously the question of whether or not they stand to gain from a world divided so sharply into two alliances both of which are armed to the teeth. There is, after all, very little that Canada can do to alter the real power balance — as our recent floundering in defence equipment indicates. Granting this, should we also throw away our independence of policy on the assumption that there can only be two sides from which to choose?

It is at least arguable that if the amount of money and diplomatic energy that are now spent on obsolescent military equipment and the purposes of the alliance system were all to be funnelled into a major attempt to revive the United Nations and the Commonwealth as genuine alternatives to a bi-polar world, Canada's traditional foreign policy goals would be more closely approached than is now the case.

In the UN Canada accepted two systems of monster alliances.

Business: A Major Industrial Revolution

by R. M. Baiden

IN THE 20 YEARS since the outbreak of the Second World War Canada has undergone a major industrial revolution. It is a revolution forced upon us by the demands of war and given shape and substance by that war. It is a revolution that changed an agricultural and natural resources type of economy to a burgeoning economy of manufacturing.

A few statistics outline the measure of the change. In 1939 this country's Gross National Product totalled $5,636 million. This year, the federal budget is based upon a GNP of $34,500 million—an increase of more than 500 per cent. In 1945, the last year of the war, our GNP was $11,835 million. By contrast, the GNP in the boom year of 1929 was $6,134 million--a mark not exceeded until the second year of the war.

What such figures do not reveal, of course, are the shifts and changing patterns of our development as a consequence of the war.

Briefly, this is what happened to the economy during the war:

Secondary manufacturing increased 159 per cent (in terms of Gross Domestic Product) to show the biggest gain of any part of the economy;

Industrial services climbed 61 per cent and primary manufacturing 58 per cent;

Trade and services, resource industries and agriculture showed relatively little increase in terms of percentage shares of GDP.

In dollar terms, this is what happened: (Figures are for net value of production)

	1939 *thousands of dollars*	1945 *thousands of dollars*
Agriculture	671,505	1,248,146
Forestry	100,483	274,903
Fisheries	21,931	64,839
Trapping	7,919	21,505
Mining	297,733	299,118
Electric Power	149,864	210,007
Manufactures	1,531,052	3,564,316
Construction	373,000	594,000
Total	3,153,487	6,276,834

During the war, then, increased manufacturing output accounted for more than two-thirds of the increased total net value of all production.

This tremendous impetus given to manufacturing during the war was a direct consequence of the needs of war and the action taken by federal government to meet those needs. Principal among those actions was the move to channel all war supplies through a single agency—the Department of Munitions and Supply. Canada was the only Allied country to set up such a system.

In its role of co-ordinating and directing the fast growing industry, M & S:

Let contracts and allotted orders for war stores for the Canadian armed services and for other Allies;

Helped convert and expand peacetime industries so that they could participate in war production;

Built entire new plants and established entire new industries under government direction and management;

Rigidly controlled production and use of raw materials.

By 1943, the Department of Munitions and Supply was one of the world's biggest business organizations.

The results of this mammoth government invasion of business were impressive. By 1943, Canadian arsenals and shell-filling plants had produced over 59,000,000 rounds of heavy ammunition and 3,000 million rounds of small arms ammunition. The output of the chemical and explosives industry had risen to 1,000,000 tons. A total outlay of more than $1,380 million had been spent on industrial construction. Steel production soared to 3,000,000 tons a year—double the peacetime figure—and aluminum output in Canada in 1943 exceeded the peacetime production of the entire world. Aggregate refined production of copper, nickel, lead and zinc increased 20 per cent over the 1939 output.

This was the explosive beginning of Canada's industrial revolution. With it came new skills and new manufacturing techniques as well as new industries.

When the war began, for example, the Canadian aircraft industry consisted of a few small plants—mainly repair depots —with fewer than 1,000 workers. Total production was about 40 aircraft a year.

Toward the end of the war there were aircraft plants in Nova Scotia, Quebec, Ontario and British Columbia employing more than 120,000 persons. Output exceeded 4,000 aircraft annually.

But as some sectors of the economy strengthened and grew under the impact of war and post-war adjustments, others weakened and fell back. To grasp the full effects of the war, it is necessary to trace

In 1958 uranium production totalled $290 million to take second place.

the main patterns in the major sections of industry from 1939 to the present.

Agriculture: The war opened new markets for Canadian agriculture. When Norway was invaded, Britain asked for bacon and pork products, cheese and evaporated milk, eggs, processed fruits and vegetables, beef and processed poultry. The Canadian government poured $484 million into wartime agricultural bonuses, subsidies and subventions.

At the same time the drop in the proportion of the labor force engaged in agriculture was accentuated during the war. This is a trend that has continued to the present. Paradoxically, output has risen steadily. Between 1957 and 1958, for example, the number of persons with jobs in agriculture decreased by 32,000. At the same time the index of physical volume of agricultural production climbed 49 per cent from the five-year average of 1935-39 to the period 1951-55.

In grain farming, wheat acreage has shown no significant upward tendency since the war. Seeded acreage between 1932-38 and 1952-58 increased only seven per cent compared with barley acreage which increased 61 per cent and flaxseed 564 per cent.

The explanation for rising output and relatively declining labor lies in the changing nature of farms and the method of operation.

Since the war there has been a reduction in the number of farms and an enlargement of the average size, reflecting increasing specialization and mechanization. Specialization has been especially noticeable in Ontario in such crops as tobacco, soy beans, rye, flax, corn for husking and dry beans.

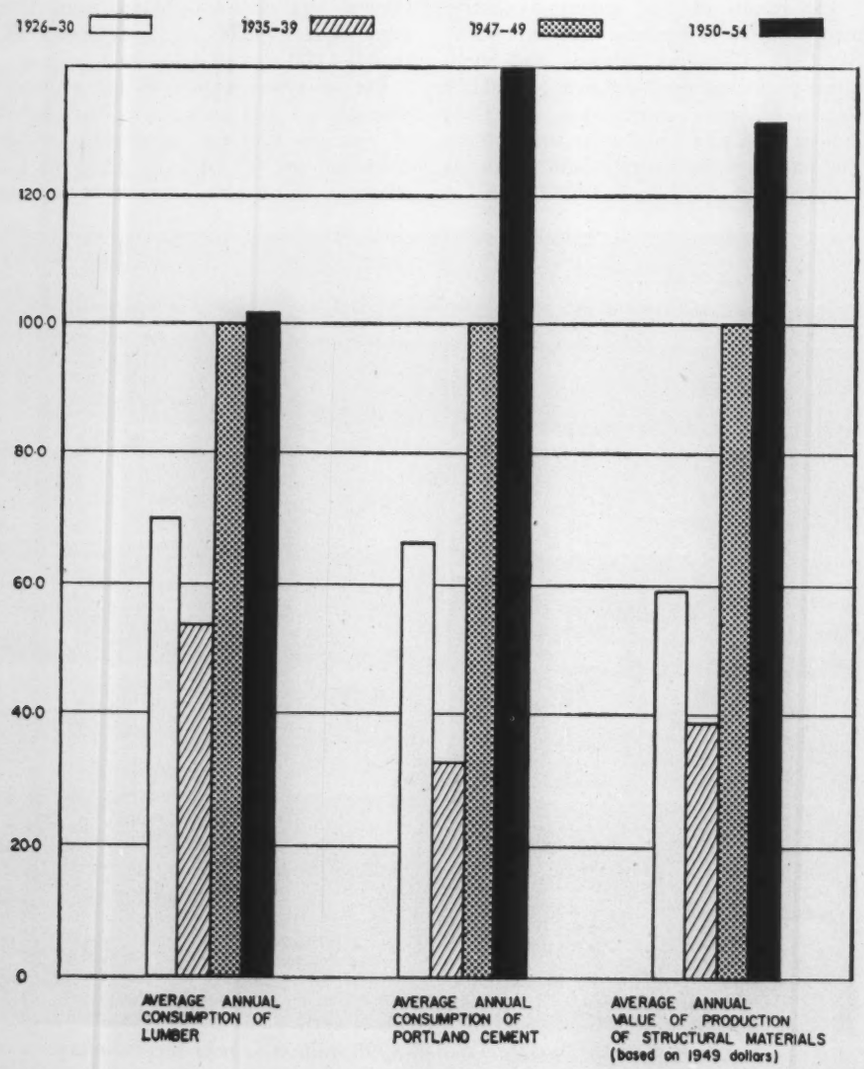
The rapid rise of mechanization is shown by Ontario figures. Between 1931 and 1956 the number of tractors rose from 18,993 to 136,062; the number of motor trucks from 14,586 to 58,041 and the number of combines from 796 in 1941 to 16,644 in 1956.

Net farm income soared from 1935-39 average of $325 million to $1,684 mil-

CONTINUED ON PAGE 25

CONSUMPTION OF BUILDING MATERIALS IN CANADA

1947-49 = 100



SINCE OVER HALF THE LAND area of its vast provinces is forested, pulp and paper manufacture has been Canada's leading industry for years.

Seagram tells the World about Canada

The advertisement on the facing page is one of a series now being published by The House of Seagram in magazines circulating throughout the world. From such advertisements the people of many lands have come to know Canada better . . . her industries . . . her vast wealth of natural resources . . . her renowned cultural achievements and her great traditions.

Over the years, through its advertising abroad, The House of Seagram has continually told the people of other lands about our many distinctively Canadian customs and achievements.

The House of Seagram has always believed that, in addition to promoting its own products in foreign markets, promoting the reputation abroad of *all* Canadian products is in the best interests of every Canadian.

These world-wide advertising campaigns help unfold the story of the Canadian people and their use of the rich and varied natural resources of this favoured land . . . an inspiring narrative of our great and growing nation.

A.J. CASSON, R.C.A., N.A.

This well-known painter was one of the original members of Canada's famous Group of Seven. A past president of the Royal Canadian Academy and Ontario Society of Artists, he has won many awards for his distinguished paintings, chiefly of Northern Ontario landscapes and villages.

For reprints of this painting, suitable for framing, write: The House of Seagram, 1430 Peel St., Montreal, Quebec

Canada is Famous for its Pulp and Paper

A BOOM OF LOGS being towed to a pulp and paper mill in the Canadian northland. Canada exports more wood pulp and newsprint than any other country.

Painted for The Seagram Collection by A.J. Casson, R.C.A., N.A.

Canada is Famous for Seagram's V.O.

Honoured the world over for its smoothness, light-body and delicate bouquet, Seagram's V.O. is the lightest, cleanest-tasting whisky you ever enjoyed.

That's why: *More people throughout the world buy Seagram's V.O. than any other whisky exported from any country.*

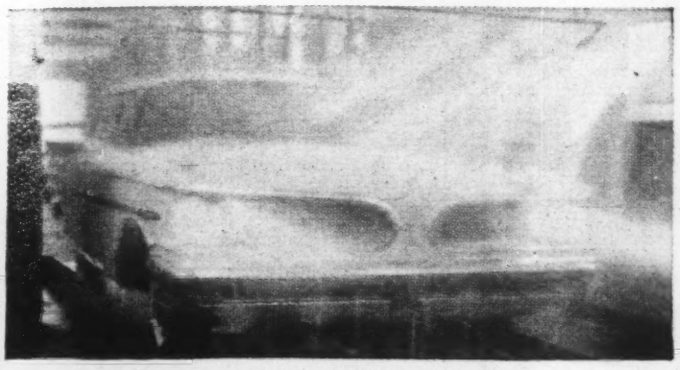
Say Seagram's *and be* Sure

She's making the test we count on...

Home from the store with the week's supplies. Tired? Maybe. But at least the chore is over for another seven days. You open the door of your Frigidaire refrigerator and start packing the food and groceries away. Without thinking twice about it you are making *the* most crucial quality control test of a product . . . the satisfaction-in-use test! For the fact that you can take the efficiency of your Frigidaire for granted is a sign that General Motors people have successfully engineered another top-quality product!

Throughout the four GM manufacturing companies in Canada, specialists and scientists devise exhaustive controls and tests to maintain high quality (some of these tests are shown on these pages). Every means is employed to make every component of every GM product—cars and trucks, Diesel locomotives, Frigidaire appliances, engines—as near perfect as modern science can make it. And a constant interchange

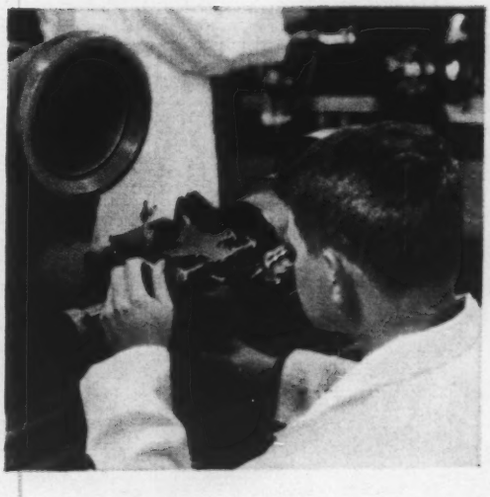
of ideas ensures that every company benefits from the research of the others. But the final and most crucial test of our achievement must always be *your* experience of the finished product. This is the one test we cannot perform . . . yet it's the one we can count on most. For in the long run, it is only the wide acceptance of our products by millions of people in Canada that spells success . . . it is passing the quality control test *you* perform each day that proves our own quality control at General Motors.



At the GM Assembly Plant at Oshawa it never rains unless it pours! In a special water-test booth a penetrating, man-made cloud-burst pours down on finished GM cars. For four minutes or more the cars are drenched under careful observation to ensure that they are correctly sealed and completely waterproofed against even the very worst conditions you might meet on the actual highways!

Frequent inspections of every electric range at the Frigidaire Plant at Scarborough make sure that every one is completely flawless when it leaves the line. Throughout manufacture—from the raw materials stage to the final temperature check—special instruments and the experienced eyes of experts measure each appliance against the highest standards of GM quality. Only the highest quality product reaches your home!

Final check before a big Diesel locomotive leaves the GM Diesel Plant at London. Not until expert inspectors have approved every final detail does the great locomotive leave the inspection buildings for a dependable lifetime on the rails. At General Motors, every single part, no matter how small, in every single product, no matter how large, is quality-controlled throughout.



Microscopic examination is but one phase of the exhaustive analyses to which raw materials and selected items from the line are subjected in the laboratories at McKinnon Industries at St. Catharines. By constant, careful checking, at every stage of production, the slightest defects that might mar quality-perfection are avoided; only the specified high quality materials reach the line, only the top quality results leave it.

GENERAL MOTORS

General Motors of Canada, Limited
Oshawa and Windsor

The McKinnon Industries, Limited
St. Catharines

Frigidaire Products of Canada Limited
Scarborough

General Motors Diesel Limited
London

QUALITY PRODUCTS FOR CANADIANS

Puzzler

by J. A. H. Hunter

"DAD," SAID JACK. "If I had my own car I'd never mess up yours."

His father smiled. "You read my thoughts." He lifted a heavy box from a drawer in his desk. "For years I saved coins in this, mostly pennies. Maybe we'll break up the hoard now."

Jack gasped. "I didn't expect you to help," he cried. "I've saved the down payment. With a few hundred bucks more I'd pay it all in cash."

"You might do just that, if you're smart," his father told him. "There's just $1,610.41 in the box. Divide it into a certain number of equal amounts leaving one cent over. You take one share and that odd penny. Then divide what remains into the same number of equal shares, and again you take one share and the odd cent. You continue the routine, always dividing into the same number of equal shares and having one cent over, until you can't do so any more."

"How many shares each time?" asked the boy.

"You must be smart," chuckled his father. "The right way you'll get all you need to buy the car outright."

How much could Jack get? (108)

Answer on Page 44.

Chess

by D. M. LeDain

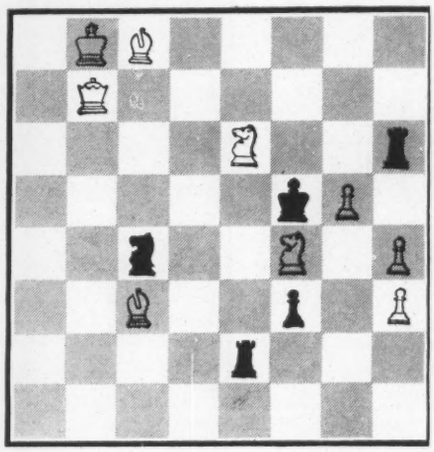
RICHARD RETI, Czech master, shattered his opponent, Dr. Max Euwe, with double rook sacrifices in two games of their 1920 match. Proving that, in chess, lightning can strike twice in the same place.

White: R. Reti, Black: Dr. M. Euwe. 1.P-Q4, P-KB4; 2.P-K4, PxP; 3.Kt-QB3, Kt-KB3; 4.B-KKt5, P-KKt3; 5.P-B3, PxP; 6.KtxP, B-Kt2; 7.B-Q3, P-B4; 8.P-Q5, Q-Kt3; 9.Q-Q2!, QxP?; 10.R-QKt1, KtxP; 11.KtxKt!!, QxRch; 12.K-B2, QxR; 13. BxKP, P-Q3; 14.BxQP, Kt-B3; 15.B-Kt5, B-Q2; 16.BxKt, PxB; 17.Q-K2ch, Resigns.

White: Dr. M. Euwe, Black: R. Reti. 1.P-K4, P-K4; 2.Kt-KB3, Kt-QB3; 3.B-B4, Kt-B3; 4.P-Q4, PxP; 5.Castles, KtxP; 6.R-K1, P-Q4; 7.BxP, QxB; 8.Kt-B3, Q-QR4!; 9.KtxP?, KtxKt; 10.QxKt, P-KB4; 11.B-Kt5, Q-B4!; 12.Q-Q8ch, K-B2; 13. KtxKt, PxKt; 14.QR-Q1, B-Q3!; 15.QxR, QxB; 16.P-KB4, Q-R5; 17.RxP, B-KR6!; 18.QxR, B-B4ch; 19.K-R1, BxPch!; 20. KxB, Q-Kt5ch; 21.K-B1, Q-B6ch; 22.K-K1, Q-B7 mate.

Solution of Problem No. 225 (Harley). Key, 1.Q-KB8.

Problem No. 226, by C. Mansfield. White mates in two. (9 + 5)



Somewhat Homespun

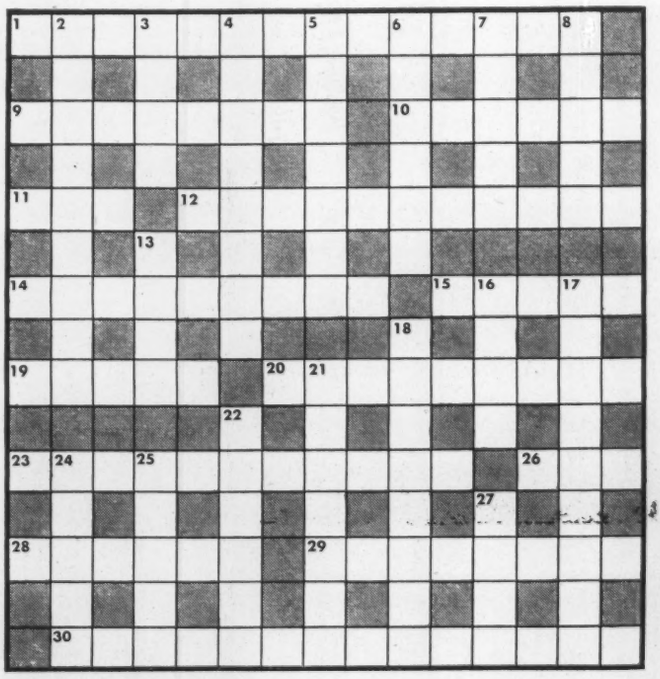
by Louis and Dorothy Crerar

ACROSS

1 In song, the parson must have sounded like an ass. (3, 5, 2, 4)
9 Inside job of the British Army's vanguard in Germany? (8)
10 Matthew, Luke and John might make this comment concerning the absent one. (6)
11 See 26
12 But Ibsen's play was not for 4. (1, 5, 5)
14 Is pleased, maybe, to offend. (9)
15 A portion of a clergyman's estate? (5)
19 To dine, perhaps, in my surroundings, would not suit vegetarians. (5)
20 An 18 is not a modern one for the 2. (9)
23 Surprising to find such profanation could be considerate. (11)
26, 11. " . . . and evening star". (Tennyson) (6)
28 Not a subject for grammarians. (6)
29 Hungry, yet fed to extremes. (8)
30 How strange to find these prized possessions of Rajahs at rummage sales! (5, 9)

DOWN

2 See 18. (9)
3 Part of speech the overbearing orator delivered. (4)
4 See 12. (8)
5 How one entertains royalty? Calls for a big blow-out to finish. (7)
6 Black in Germany but may have a softer appearance here. (6)
7 Mr. Montague, Jr. (5)
8 It should be easy to get the thread of these stories. (5)
13 Tips up to cook something 19. (4)
16 Open container? (4)
17 It may be juicy but in conclusion it calls for a period of fasting. (9)
18 The 2 may use it to flop around an untidy room. (5, 3)
21 If lit up, could look quite different. (7)
22 Court order he gets is enough to make anyone squirm. (6)
24 A drink gives it a lift from below, perhaps. (5)
25 Emile the resin maker? (5)
27 Is raised between a head and tail. (4)



Solution to last puzzle

ACROSS

1, 34, 5, 15. Loved not wisely but too well
5 See 1A
10 Globe
11 Sea
12 Tenth
13 Tea
14 Season
15 See 1A
17 Ripen
19 Lei
21 Amigo
22 Arrau
23 SOS
24 Guest
26 See 29A
27 Dahlia
29, 26, 20. The rest is silence
31 Heard
32 Eon
33 Alive
34 See 1A
35 Recently

DOWN

1 Lighter
2 Viola
3 Dressing-up
4 Obstacles
6 Unto
7 Tangerine
8 Othello
9 Iago
16 See 25
18 Parisians
20 See 29A
22 Air show
25, 16. Thereby hangs a tale
28 Amen
29 Twist
30 Idol (475)

CONTINUED FROM PAGE 20

lion for 1951-55. Farm income accounted for 9.1 per cent of national income in the pre-war period and 9.7 per cent in the latter period. The gain in net farm income between the two periods was 576.3 per cent. But the ratio of net income to capital has fallen from 13.5 in 1935-39 to 5.7 for 1951-55. In the years since 1951 (up to 1955) aggregate net farm income has failed to hold the gains of previous years.

Fishing: Demand for fishery products for both feeding and industrial purposes was vastly strengthened during the war. The salted fish trade of the Atlantic coast took a new lease on life and a filleting and freezing industry was established in Newfoundland. Modernization of the Atlantic fishing fleets proceeded rapidly. Unionization and co-ops gained ground, especially on the Pacific coast.

The post-war period was characterized by the growth in export of groundfish fillets to the U.S., extension of international treaties, continuing modernization of fishing vessels and gear, introduction of electronic aids to fishing and the new fish plant inspection program.

Fish prices remained above other wholesale prices in the post-war period. At the same time, withdrawal of labor into other industries encouraged increased mechanization. Progress in the technology of refrigeration, curing, canning and so on opened profitable opportunities.

The Pacific coast fishing industry has largely led the way. The investment per man in primary fishing operations doubled in the decade following the war.

Forest Industries: Forest industries are Canada's biggest single money-earner. The industry falls into three main divisions—woods operations (logging), sawmilling and the manufacture of pulp and paper, this last by far the most important in dollar terms.

Agricultural specialization has increased as in Ontario tobacco growing.

In 1938 total capital invested by the forest industries was $1,017 million and gross value of products was $563 million. Of these totals, pulp and paper mills accounted for $594 million invested capital and $183 million gross product value. During the war heavy demand for forest products increased the average volume of fellings by about 22 per cent in the woods but little capital expansion was possible.

Following the war, however, more than $1,300 million was invested by the pulp and paper industry in new plant, machinery and equipment. This represented almost one-sixth of the total capital outlay in Canadian manufacturing from 1946 through 1958. Employment in the industry has risen to more than 60,000 persons from the 45,000 of 1946 and the 30,000 of 1938.

Hand-in-hand with the rapid post-war expansion of the industry has been the remarkable rise in North American use of pulp and paper products—newspapers, milk cartons, packaging, paper towels and so on.

The expansion of the Canadian industry came in two pronounced waves. The first began immediately following the war and slackened in the early 1950's. In 1955 a sudden sharp upswing in demand in all principal markets touched off another, more pronounced wave which is just now subsiding.

Between 1946 and 1958, Canadian newsprint capacity increased by more than 50 per cent while capacity for manufacturing chemical pulp more than doubled. Newsprint production has increased from 3,174,544 tons in 1939 to 3,591,901 tons in 1945 to 6,095,533 tons in 1958.

Mining: The mining industry forms the base of much of Canada's economic activity. Last year, for example, the total value of the unimproved products of mines, quarries and oil wells together with expenditures on process supplies and equipment, transportation, power, insurance and other services exceeded $2,100 million.

The last 20 years has seen the emergence of practically all of this country's oil and natural gas industry and a large part of its hard mineral industry including the development of an entirely new section—uranium. During the war, as the accompanying table illustrates, both dollar value and volume of Canada's mines decreased by 1945. Following the war's end, however, the gain has been spectacular.

Since 1939, such names as Cassiar Asbestos and Granduc Copper in British Columbia; Leduc, Redwater and Pembina in Alberta; Lynn Lake, Mystery-Moak Lake in Manitoba; Manitouwadge, Mattagami and Blind River in Ontario; East Sullivan, Iron Ore Co., Barvue and Allard Lake in Quebec, Bathurst in New Bruns-

In transportation railways have kept pace with much new equipment.

Forest industries are Canada's biggest single money earner today.

wick, Walton in Nova Scotia and Canadian Javelin in Newfoundland have become prominent. These mines and mining camps have played a major part in the rapid growth of the industry.

Year	*Value in $ million*	*Index of Physical volume*
1958	2,122.2	292.5
1957	2,190.3	290.0
1956	2,084.9	272.5
1955	1,795.3	242.0
1950	1,045.5	145.4
1945	498.8	100.9
1940	529.8	125.7

While the volume of mineral production has climbed steadily since the end of the war, the traditional top money earners have been replaced. In 1958, for example uranium production totalled $290 million to take second place—ahead of both nickel and copper—behind petroleum products.

Secondary Manufacturing: The range of secondary manufacturing covers 27 separate classifications. These include such diverse products as processed foods, clothing, wood and paper products, iron and steel products, electrical apparatus, chemicals and products of petroleum and coal.

The war gave secondary manufacturing the biggest boost of any section of the economy. Physical production jumped 159 per cent to comprise about one-quarter of the total national output and employment nearly doubled. In such major sub-categories as steel, agricultural implements and automobiles, for example, war requirements boosted production from a level of 50 to 70 per cent of capacity to full capacity virtually overnight. New industries were built to manufacture new products such as synthetic rubber, nylon filament yarn, roller bearings, antibiotics, high-octane gasoline and, of course, aircraft. The peak of this wartime boom was reached in mid-1944.

With the end of the war, secondary industry faced serious problems. A great deal of the wartime expansion was useless for peacetime—manufacturing capacity for shells and ammunition for example. Of a capital outlay of $3,500 million on secondary industry during the war, an estimated $2,200 million was readily convertible to peacetime uses. A little more than half of the 643 wartime plants could be adjusted to peacetime manufacturing. On the positive side, however, the physical assets of many industries had been enhanced substantially as a result of the war and strong consumer demand and overall business confidence helped ease the transition.

Individual industries were affected differently. In the 1944-46 period secondary food, tobacco, textiles and clothing showed little change. The distilling industry boomed. Printing and publishing and secondary paper gained 25 per cent. Secondary chemical industries slipped. Steel, motor vehicles, aircraft and shipbuilding were all hard hit.

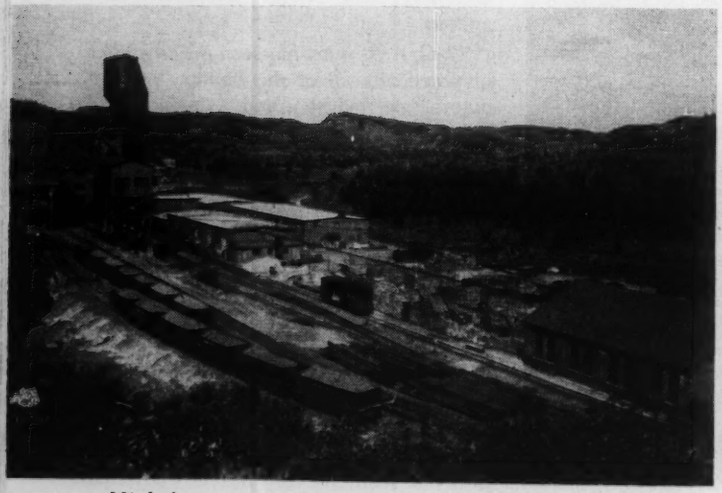
In the second phase, from 1946-49, secondary industry rose about one-eighth and held its share of national output. Durable goods production rose 20 per cent, or twice as fast as non-durables. Automobile production, as an example, jumped to 193,000 units from 92,000.

At the same time output of farm implements nearly doubled while steel production increased nearly 1,000,000 tons. Production of petroleum products gained one-third and secondary chemicals gained 10 per cent.

Throughout this period since the end of the war, there had been little import competition and areas of high-cost production developed behind the shelter of import controls.

The Korean War of 1950 gave another boost to secondary industry. From 1949 to 1953, this sector gained 25 per cent—somewhat more than the economy as a whole. The major force in the upturn was heavy consumer spending on such durables as automobiles and appliances, supplemented through 1951 and 1952 by the build-up of defence and defence-supporting industries. Government spending rose by more than 50 per cent.

Coinciding with the Korean War was the "cold war". This created a broad



Nickel remains important as new metal uses are found.

New processing plants have extended markets for fish.

civilian and defence demand and a resurgence of the resource export industries. From 1949 to 1952, resource exports rose 60 per cent. The cold war also boosted world material prices and forced a restudy of material supplies in the western world. These studies—such as the Paley report in the U.S., focussed attention on Canadian resources.

Energy: Consumption of energy is often used as a measure of a country's industrial development. In Canada, manufacturing has taken an increasing share of energy output since 1939. The following table shows percentage use of energy by various sectors of the economy.

	1939	1953
Manufacturing	20	24
Transportation	27	30
railroads	15	11
highways	9	14
other	3	5
Household commercial	42	31
Supplying energy	8	10
Other	3	5
Total	100	100

While Canada's overall consumption of energy is rising, the character of energy supply has changed markedly, due in large part to the discovery of substantial oil and natural gas deposits in western Canada in 1947 and subsequently. The following table shows how the composition of the energy supply has changed since 1939.

	1939	1953
Coal	56	39
Petroleum	20	42
Natural Gas	3	4
Wood	14	7
Water Power*	7	8

*Measured in terms of its contribution as electricity.

The most spectacular growth in this sector of the economy has undoubtedly been in oil and natural gas and their allied industries such as pipelines.

In 1946, production of western Canada crude oil averaged approximately 18,750 barrels a day. After the discovery of Leduc in 1947, production increased to an average of more than 56,000 bbls a day in 1949. Last year average daily production, on the prorated output basis. was 466,000 bbls. The average producing potential was calculated at 870,000 bbls a day.

To meet this rush of crude output, Canadian oil refineries worked feverishly to build new plants. In 1950, 1951, 1952, 1955 and 1956, however, demand exceeded domestic refining capacity. Last year the oil industry spent approximately $120,000,000 on expansion of crude refining facilities. Capacity now is in the order of 850,000 bbls a day.

The natural gas industry has also grown swiftly. From its position of supplying three per cent of Canada's energy requirements in 1939 and four per cent in 1953, the industry now supplies an estimated six per cent. The Gordon Commission on Canada's Economic Prospects predicted natural

Good judgement comes with experience... and Johnnie Walker Scotch proves your judgement

Born 1820 - still going strong

gas will supply 25 per cent of this country's energy requirements within 25 years. Gas reserves, estimated at 1.5 trillion cubic feet in 1947, are now at something over 28.5 trillion cubic feet.

Serving both these young giants is a third new industry—pipelines. The Trans Canada gas pipeline now stretches from central Alberta to Montreal and the Interprovincial oil pipeline from near Edmonton to Sarnia. In addition, the Trans Mountain oil pipeline runs from Alberta to the U.S. border on the west coast.

Although not yet commercially feasible, nuclear energy may take a significant share of the energy market, largely through its use in generating electricity.

Transportation: Development of the highway truck transport industry has been the outstanding change in the post-war transportation pattern. Commercial vehicle registrations jumped from 236,000 in 1939 to 322,800 in 1945 and then soared to 1,041,000 in 1957. But as the truck transport industry grew, the railway share of freight hauling decreased, particularly in intercity freight.

Transportation itself is being revolutionized with integration from purchasing of raw materials through shipping the finished goods to the customer's door. On the horizon are promises of greater integration and greater speed of transportation by such developments as Canadair's CL-44 transport aircraft designed for a maximum payload of 65,000 pounds.

The railways too have changed their methods. The CPR now offers "piggyback" service (Loaded truck trailers carried by flatcar) coast to coast. They have introduced tailor-made cars, speeded up services and offered new services to compete with trucking. Diesel locomotives now haul 88 per cent of the CNR's freight gross ton miles.

Export Trade: The character of Canada's export trade reflects the nature of her changing economy. The major changes in export trade have been a decline in the relative importance of wheat and flour from 36 per cent of the total in 1928 to nine per cent in 1955 and increases in the relative importance of forest products, metals and minerals.

New gold production, on the other hand, rose from three per cent in 1928 to 12 per cent in 1932 and 1937, then dropped back to about its 1928 position.

Another aspect has been a decline in the relative importance of raw materials and a rise in partially manufactured goods. Totally new exports, since the war, include iron ore, crude petroleum, natural gas, uranium, synthetic rubber, molybdenum, titanium ores and other rare earth metals. Manufactured exports largely non-existent before the war include cellulose products, synthetic resins, polystrene, engines and boilers, farm tractors, trucks, aircraft and parts and aluminum.

The accompanying table shows the important shifts in Canada's export trade.

Commodity	*Percentage of Total*	
	1937	1955
Wheat, wheat flour	15.5	9.3
Meats	3.5	0.9
Newsprint	10.7	15
Copper	4.8	3.9
Lead	1.5	0.8
Zinc	1.3	1.6
Nickel	5.0	4.8
Aluminum	1.6	4.8
Asbestos	1.3	2.2
Fish	2.4	2.8
Woodpulp		
Lumber	18.1	30.0
Newsprint		
Chemicals (includes uranium)	1.9	4.7

Since the war number of farms has decreased, individual size has increased.

In sum, then, what have been the important overall changes in the economy?

First and foremost, undoubtedly, is the role played by government. It was the government, acting through the wartime Department of Munitions and Supply, that gave this country its biggest single push toward industrialization. To do this, however, the government was forced to invade business preserves. It has never extricated itself and has, in fact, gotten ever more deeply involved.

Today, the federal government operates entire business complexes and directly controls others. It, for example, operates the mammoth Canadian National Railways and, Trans-Canada Air Lines, in transportation, the Canadian Broadcasting Corporation in communications, Polymer Corporation, Eldorado Mining and Refining, Atomic Energy of Canada Ltd. in industry and a host of less spectacular enterprises in many fields of business. This, of course, is in addition to the growing web of government controls—through taxes, subsidies, credit manipulation and so on—which have also grown up in the last two decades.

Not as apparent, but perhaps more ominous has been the shift in ownership of Canadian industry. Huge foreign investments—mostly from the U.S.—have effected fundamental shifts of ownership, and control, in fundamental Canadian industry.

Non-resident ownership from 1939 to 1954 climbed six per cent in manufacturing; 19 per cent in mining, smelting and petroleum. U.S. ownership of Canadian manufacturing in 1954 increased to 39 per cent from 34 per cent in 1939; ownership of mining, smelting and petroleum increased to 54 per cent in 1954 from 31 per cent in 1939. U.S. control in the pulp and paper industry in 1954 was 45 per cent; in chemicals it was 51 per cent; in rubber, 84 per cent; automobiles and parts, 95 per cent. The overall figure for U.S. ownership of Canadian industry was set at 48 per cent.

More recent estimates have set current U.S. investment in Canada at about $14,000 million—the equivalent of close to $1,000 for every person in Canada.

Neither trend shows any sign of weakening. More government intervention, and thereby control, is in prospect for both industry and agriculture. U.S. investment is increasing steadily, although the rate of increase has slowed recently.

In these two respects, Canadians are paying a price for the industrial gains sparked by the war. For many individuals, the price seems small and painless considering the gains achieved. But the full price has not yet been paid.

Travel: The Technological Revolution

by John Fisher

THE PAST TWO DECADES have brought a revolution in travel as remarkable as that in almost any field during this century of marvels. The whole world has shrunk. The airplane has made oceans into large ponds and placed continent beside continent. In that space of time, all the major cities of the world have been strung along one flyway. The traveller of 1959 measures distance not in miles but in hours.

The jet which whipped Vice-President Nixon from Baltimore to Moscow took less time than the night train between Toronto and Montreal. At the same time, diesel-powered trains have saved almost two days in trans-continental time. Automobiles have more horsepower. Highways are engineered for higher traffic density. More people are travelling greater distances at faster speeds and more comfort than anyone dreamed about in 1939.

A stenographer can survey the world, step up to an airline counter, purchase a ticket to her Shangri-la and take off. Travel is now made as available as TV sets, chesterfields and stoves. The huckster has moved in on the rich travel market. Even the cautious Canadian bankers now offer travel savings accounts.

Travelling in 1959 is much more democratic than it was in 1939. Before 1939 Canada's travel market thrived on the "carriage trade". The wealthy few have been supplanted by the masses.

Everybody is on the go—for pleasure, curiosity, adventure—as never before. With the five day work week, vacations with pay, social security, old age pensions and travel as the bonus for incentive sales schemes, more people have leisure time to go places. If labor, science and management have helped make more time available for travel, so have the taxing authorities enabled more people to hit the road. The company "expense account" is a feature of post-1939 society. Without well padded expense accounts, many of the posh establishments in North America would have a decor of moth balls.

The post-bellum years have put new emphasis and new words in the travel lexicon—motel, motor hotel, boatel, airotel, marina, credit card, throughways, super-highways, clover leafs, fly now—pay later, skin diving, power boating, chill chests, bug bombs, bikinis, snap-up tents, station-wagons, mobile homes, trailers and a host of plastics from nylon rope to fibre glass boats. The drug store has moved to holiday row in 20 years and most travellers must stop at the pharmacist's in order to provision properly. Most drug stores in 1959 sell anything from frog feet to sun tan lotion, polaroid cameras to water purifiers

The revolution of leisure rolls on: laminated skis, pre-fab cottages, aluminum canoes, plastic raincoats in envelopes, vaccines, detergents, plastic hose, synthetic wind and water repellent clothing, power mowers, de-hydrated foods, drip-dry no-iron clothes, transistor radios, long play records, flutter boards, portable barbecues, and even cars with convertible beds. Maybe all these are not new but they have been developed since 1939. Think of the impact on holidays from air-conditioning, refrigeration, high-fi and stereophonic sound at the cottage, quick frozen foods, tubeless tires, power brakes, steering and push button gears.

This is the age of high octane gas, hard top convertibles, jeeps, sports cars, air-conditioned automobiles, jet aircraft, helicopters and now hovercraft skimming the earth. The cottager at his summer hacienda can now sit on his lawn mower and chew up the grass with the greatest of ease. Most phenomenal of all changes is in water sports due to the outboard motor.

In all the eons of man's attempt to be mobile, nothing can equal these last paltry 20 years. This has been the greatest of all pleasant revolutions. Whether it be vista domes in trains, chair lifts for skiers, spinner reels for fishermen, pressurized cabins in aircraft, reclining seats and washrooms on buses—nearly all these comforts we take for granted were invented or improved in the years since Hitler soiled the pages of history. Nearly everything we use in travel is better, more powerful, faster and designed to make leisure a pleasure.

One of the most vivid contrasts is in the sky. Twenty years ago TCA passengers crossing the mountains to Vancouver frequently wore oxygen masks at higher altitudes. Before World War II the air route between Toronto and Montreal was by way of North Bay and Ottawa. Now CPA's Britannia's don't take much longer to fly from Toronto to Vancouver. Montreal and Madrid are neighbours. Within the life span of our senior high school students, we have seen the dramatic shift in trans-continental travel.

In the early forties, the railway was still the major means of long distance travel. In those days flying great distances was an adventure. Trans-Atlantic flights were so unusual that travellers formed a select band whose members flashed "short snorters" as proof of high adventure. The airplane has pushed the weekend to the far corners of the earth. A weekend in Paris is now practical for Canada's Londoners. A Vancouver sybarite can leave Thursday, fly over the roof of the world and indulge in Europe's exotic menu of life and be back at work on Monday.

Today, the holidayers can roam the continent of America for a few dollars in double deck buses equipped with reclining seats, loud speakers, washrooms and attractive stewardesses. En route, many rest rooms offer vending machines which dispense coffee, cigarettes, cakes, combs, perfume, shoe laces, shoe shines, insurance, horoscopy, pornography, prophylactics and photography. This is a vending machine age—toilets, towels, showers, baths, games, gum, candy, toys, magazines can all be bought with coins. The traveller can quench his thirst, take his picture, dry his hands or check his avoirdupois by slot machine. He can phone his girl friend by long distance credit card.

Ever restless North Americans have

Newer and faster jets roll off the assembly lines to cut travel time.

Motel is a new word in the travel lexicon since "carriage trade" days.

taken to the highways and airways as never before. Highway travel in Canada has leaped from 15.1 billion vehicle miles in 1948 to an estimated 38.6 billion in 1958. The number of passenger miles for airlines operating in Canada has skyrocketed from 24.7 million in 1939 to 2.1 billion in 1958.

Every year some 28 million Americans cross the border into Canada for business or vacation—sightseeing, boating, camping, fishing, hunting or just relaxing. Each year millions of Canadians get up and go about their own land.

To service this vast travelling public a great highway system has been constructed (up from 99,000 miles of gravelled and paved roads in 1939 to 211,000 miles in 1958) and a new type of living quarters has been created. At the edge of every city and large town motels have sprung up. Convenient to the highway and offering adequate parking space, motels have become overnight stopping places for motorists.

The word "motel" was unheard of in 1939. Today it is a major factor in the comfort of the travelling public.

Canada now has some 4,000 motels, ranging from collections of plain cottages to luxurious brick structures with the finest furnishings and a television set in each room, a restaurant and a swimming pool. The Canadian Tourist Association estimates that about 250 new motels were built across Canada last year at a cost of $22 million.

A great array of conveniences and services has been fashioned to cater to the growing millions of vacationers. Governments and tourist associations churn out vast quantities of travel literature—many millions of maps, booklets and folders. They establish parks and camp grounds for the growing hordes of outdoor enthusiasts. Transportation companies combine with hotel and resort operators and travel agents to provide package tours at bargain rates. Credit cards make it easy to pay for gasoline, airplane fare, hotel room and meals. Guided tours eliminate most of the worry and responsibility in travel. Go now, pay later plans make it easy to pay the cost. You put 10 per cent down and shell out the rest while you reflect on the pleasures of your trip.

Tourism has become big business in Canada—far bigger than most persons realize. An estimated $1.3 billion is spent each year by Canadians and foreigners travelling in Canada for pleasure or business. A substantial part of this pot of gold comes from Americans and overseas visitors. Tourism has always been one of our major "exports". Today its dollar value is exceeded only by wheat and newsprint.

But one aspect of the travel trade picture has reversed since the guns boomed in 1939. The following figures show how Canada's balance on travel account has turned from a high surplus of $145 million in 1948 into a deficit of $192 million in 1958.

TRAVEL EXPENDITURES BETWEEN CANADA AND OTHER COUNTRIES

Selected Years 1939-1958

($Million)

Accounts with all countries

	Credits	*Debits*	*Net*
1939	149	92	+68
1948	280	135	+145
1953	302	365	—63
1958	352	544	—192

We have lost out to the extent of $340 million mainly for two reasons. More and more Americans are taking off for the distant romantic lands of Europe and Asia. While we garnered 40-45 per cent of the total United States spending on foreign travel in the 'thirties and 'forties, we are now getting only about 20 per cent. At the same time Canadians in greater numbers are vacationing and spending their money in the United States and lands across the seas.

The convenience of fast jet travel and the intensified promotion campaigns of other countries are luring Canadians and Americans to the far corners of the earth in ever increasing numbers. If Canada is to enlarge its tourist business—indeed, to hold its own—a revitalized national program is required for the tourist industry.

Diesel-powered trains have saved nearly two days across continent.

"Beaver Swamp, Algoma," by Lawren Harris. The attacks on the old group confirm its importance.

Art: A Sad Report After Twenty Years

by Paul Duval

THE PAST 20 YEARS in Canadian art represent a period of confusion. Cross-currents and cribbing have marked its progress.

Prior to World War II, the outlines of Canadian painting were simply, even baldly, drawn. Now, its crazy-quilt pattern of influences and idioms sometimes seems to confuse artists as much as the public.

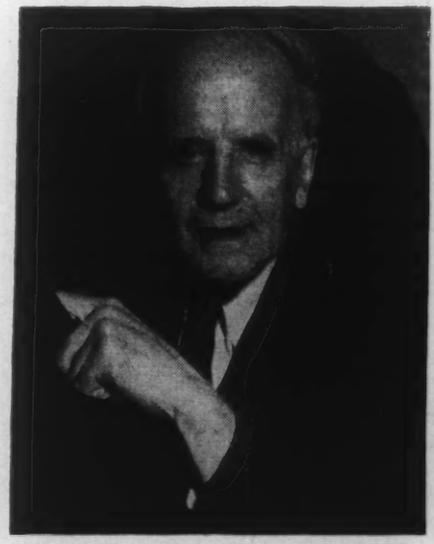
Between the two wars, the Group of Seven movement dominated the left bower of art and the Royal Canadian Academy stood soberly at the right. The Group represented a simple revolution which produced some remarkable landscapes. Its battle centred about subject matter as much as technique.

Today, recognizable subject matter is considered as unnecessary ballast by most artists. Cerebral X's and O's and automatic scribbling dominate. Reason in design is dormant.

All of this pictorial anarchy goes under the general label of *non-representation*. In the main, it is an international movement proclaiming the artist's inability to express anything profound about the state of humanity or its environment.

In Canada, this condition has brought about an exceedingly unstable consequence among younger painters. Many of them seem to study each new art movement with the keenness of a horseplayer scanning the Racing Form for a winner. They then change their style accordingly, hoping it will bring their own work to immediate popularity.

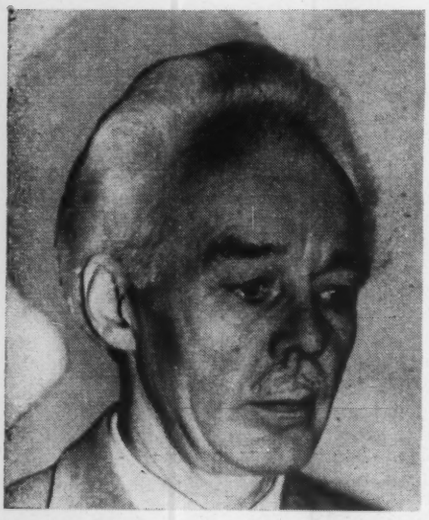
Despite his protestations of "liberation", the young artist of today is under more of a drive to conformity than his predecessors. He adopts short-cuts in the



Arthur Lismer: The left bower.

shape of stylistic tricks that have already been market-tested in Paris and New York. As a result, he becomes a multilingual pictorial parrot, incapable of constructing an original sentence of his own.

With Bernard Buffet as his hero, the artist strives to come to prominence too early. This panic for publicity and recognition among young painters is something new to art and revolts against sustained performance. The pace of picture-making has quickened to a point that omits



Lawren Harris: Simple revolution.

proper preliminary training or reflection.

A further handicap against production is the current compulsion to social participation. Some artists spend more time serving on committees, preparing petitions and soliciting favors than they do painting. This fattens their income, but empties their pictures of the creative intensity and content that only time and full attention can bring.

This need to belong is perhaps best exemplified by the present composition of art societies. There was a time when the Royal Canadian Academy and the Canadian Group of Painters, for instance, stood for quite different things. Now, their membership overlaps to the point where it is virtually impossible to tell their exhibitions apart without a catalogue.

Everybody now plays art politics to the point where the studios have come to resemble the back room at a pre-election convention. Nothing but compromises have ever issued from the back-room, and compromise can be the death of originality and power in art.

Until this situation changes, the Group of Seven and their contemporaries, David Milne and Emily Carr, will remain the major Canadian art movement of lasting significance. The violent attacks made against the Group by youngsters envious of their predecessors' independence only confirm this.

The black-stockinged uniform of today's beatniks is only a reflection of the general state of creative art. Their calculated silence only breathes forth the surrender of their right or ability to speak as individuals. Their amorality is a confession of their emotional starvation.

This is a sad report to write after watching art in this country for 20 years. We hope, God willing, to write a happier report after another 20 years.

Theatre: Some Backsliding

by Mavor Moore

THE ROOTS OF THEATRE in Canada are much older and deeper than today's casual observer might suppose. Modjeska appeared with a local repertory company in Toronto in the 1850's, and one of its younger actresses, Julia Arthur, went on to succeed Ellen Terry as Irving's leading lady.

Even our writers early achieved fame. A Montrealer was one of the 1890's most prolific melodramatists; a Hamilton lawyer wrote several of Broadway's most successful farces of the 1920's. But none of them, actors or playwrights, was recognizably Canadian: all adopted the protective coloration of British, American or French society.

World War II brought with it a burgeoning awareness of nationhood, and—more important—a recognition of the opportunity presented by our situation, in terms of both natural and human resources, to contribute something new and different to the world's culture. Theatre before and during the War was moribund, or at best spasmodic; but the more mechanical arts of film and radio were, at the same time, given not only the chance but the mandate to exploit our theatrical resources.

In English and in French, writers and actors for the CBC began to express themselves in their own accents. While the National Film Board mainly documented the life of the country, CBC radio drama gave us in effect our first national theatre.

Seeking to explore our own idiom, we not unnaturally took three routes: the play set in Canada (or about Canadians abroad) cast in more or less traditional form; the classics presented in native style; and satirical revue, which presupposes an idiosyncratic point-of-view.

In the immediate post-war years these characteristics were observable in the resurgent theatre, to which our writers and actors now turned.

The Comedie Canadienne, Montreal, typifies the post-war development.

The permanent theatre at Stratford provides a world stage for Canada.

In Montreal the emergence of Les Compagnons de St. Laurent, performing mainly the classics of Moliere, and the revues of "Fridolin" (Gratien Gelinas), culminating in his play *Ti-Coq*, presented later in English as well, signalled the arrival of a new and throughly professional native theatre in the French language.

In Toronto, the New Play Society, its activities almost equally divided between revivals of classics, original Canadian plays (six in one season), and the annual revue Spring Thaw, revealed an almost identical pattern of advance.

Then in 1952 the CBC launched its television service, which not only secured the employment of large numbers of theatrically trained people in Canada, but brought here ex-Canadians and others anxious to share in our adventure.

It was on the heels of this sudden expansion (evident too in the activities of groups in Ottawa, Vancouver and the mid-West) that the Stratford Festival was born, providing for the first time a world platform for our theatre artists.

The years since 1953 have seen a remarkable advance in the quantity and quality of stage companies, the work of Montreal's Theatre du Nouveau Monde and Toronto's Crest Theatre claiming special mention. And the Canadian Players, with headquarters in Toronto and Stratford, has revived the touring tradition so common before World War I. There has been a parallel development in Opera and Ballet, and such national organizations as Actors' Equity, the Canadian Theatre Centre and the Dominion Drama Festival (mainly concerned with amateur theatre but strongly impinging on the professional) are all sharing the excitement and problems of hectic growth.

Above all, the creation of the Canada Council, endowed with national funds for the support of the arts, has made possible work of an uneconomic nature essential to our further progress.

But sheer activity and presentational polish alone do not constitute progress, and in many departments we have backslid since the 1940's. The emphasis given to the classics and to an acquired British style of performing them at Stratford has been—however commendable as ends in themselves—a brake on efforts toward the production of native plays and a native style of acting. And both our television and our stage productions have lately leaned more and more on products pretested by Broadway and London rather than on more challenging tests of our own. Even our revues, perhaps the most idiomatic of all our theatrical media, have become slickly frivolous on the English and American pattern — thus throwing away their dearest advantage. Laudable exceptions only prove the rule.

The cure for this, it seems to me, lies not in retreating into hermitlike contemplation of the national navel, but in even wider acquaintance with the theatre of the world, wherein we may see the remarkable things being achieved by other (and even smaller) countries which have the sense to build their art on what they do best and not on what others do better. In art, the model is often out of date before it is copied.

It cannot be said too often that the way forward lies in going neither back nor sideways. If we wish to have a theatre which is original in any sense of the word, the way is to express relentlessly our own point of view, enriching it with aids from everywhere but submitting it to no one set of spectacles prescribed for elsewhere.

Music

by Graham George

THE YEAR 1939 found Canada's music only beginning to stir from its slumbers. Of the five considerable orchestras of today, only those of Toronto and Montreal existed (there were two in Montreal, but like Tweedledum and Tweedledee there was a difference of name and some tendency towards verbal battle, but otherwise they were hard to tell apart). Chamber music was all but unknown in a professional and public sense. We had with us then as always armies-on-armies of amateur pianists providing the professional musicians with one of their few honest means of staying alive and, since actual honesty would have eliminated most of that, it was not and still is not practiced. For the rest, church musicians—mostly devoted, sincere, and as honest as the piano teachers—lifted their choristers' voices in a wilderness of unsuitable acoustics.

Probably three factors have been most influential in enabling music in this country to take the remarkable strides that it has. All three are by-products of the war, though—since there *was* a stirring before the war—it would be a mistake to overstress their influence.

First, and obviously, a large number of young men and women left the small town —the farm—the pioneer-dominated background—and found out for themselves that not everyone in the world thought he could live by bread alone.

Secondly, among these young men and women was a considerable group of professional musicians who did their bit in the entertainment units of the armed forces: the Navy Show, the Army Show, the Air Force Show (and very good shows they were). Some of these musicians no doubt took life as it came without unduly exerting themselves; but others saw the opportunity and took it, learning from outstanding teachers both in the United Kingdom and in Europe.

Thirdly, there was what has gone into the language as "DVA"—the process of receiving war service gratuities in the form of payment for university or other studies.

Maureen Forrester: Among the few.

The idea of Europe having entered the minds of young musicians (not for the first time in Canadian musical history, but there had been a long lapse), some of those coming out of the forces set the example of going afield to study—not only to Europe, but to Curtis, Juilliard, Eastman, and other music schools in the United States. This in turn led to an incipient sense among young people that there is a world of music to conquer and that home-grown Canadian musicians can conquer it as well as anyone else. Thus, where twenty years ago Canadian performing artists were no considerable factor in international music-making—though naturally there were individuals, from Albani to Ernest MacMillan—we now have at one time our Milligan, our Forrester, our Gould, our Vickers, to mention only the incontestable few.

Orchestrally we are still largely dependent on the CBC—a situation in which we can be grateful for what the CBC does while regretting the necessity of their doing it. No permanent Canadian orchestra can let its ambitions range beyond submissive modesty without the paternal nod of government radio, and the newer orchestras—Winnipeg, Halifax, Ottawa — were put on their financial feet by it and given some national importance by it.

The connection of this situation with the effect of war is less direct but equally clear. For the CBC can only finance what the government will let it, and the government—being by and large the government we deserve—can only finance the so-called "cultural" activities as far as public opinion will let it. Twenty years ago there were even more Canadians than there are now who regarded "cultural activities" as fit for women, children and decadent Europeans, but not for red-blooded, glowing-hearted Sons of the North. This attitude is changing—perhaps because we have discovered that the authentic sons of the north have well-developed arts of their own—and the CBC, maligned and abused as any such agency always is, has in general maintained a commendable rate of advance.

Chamber music is in the paradoxical position that while it is the very thing Canadians can afford, it is the last thing Canadians want, and will remain so until the isolating piano loses its status as the only proper instrument for a child to study (apart from "taking vocal"). This change may be imminent because of the large post-war influx of continental Europeans, with their strong tradition of home music-making. We need them now not only to break the land but to break the sound barrier; and, just as in the occurrence which that phrase primarily describes there comes a moment when the aircraft's controls reverse their habits, we Canadians need now to reverse some of our habits of musical thinking in order to cross new frontiers of the mind.

Literature: Some Promise

by Robert Weaver

TWENTY YEARS AGO this summer I had just graduated from a Toronto collegiate, and I don't think I knew the names of three Canadian writers. (One writer I did know was Wilson MacDonald, who used to speak and recite his own poetry in the high schools. The poets were still giving recitals—in art galleries, night clubs, and on radio.) I have an idea that a collegiate graduate in 1959 might know the names of a few more Canadian writers than I did two decades ago, but most of the books and magazines most of us read still come from abroad. We're an unusual people in that respect, and it looks as though it is going to take us a long time to change.

By 1939 we had writers like Morley Callaghan and Mazo de la Roche whose reputations were greater abroad than in their own country. Our major contemporary poet, E. J. Pratt, had been publishing books for twenty years. But the year itself was an indifferent one in Canadian writing. Franklin Davey McDowell's *The Champlain Road* was a best-seller; Frederick Philip Grove published *Two Generations,* a novel about Ontario farm life; and the most important work of nonfiction was Laura Salverson's *Confessions of an Immigrant's Daughter.* The year was distinguished by a small look back at the Depression: the best book of poetry was Anne Marriott's *The Wind our Enemy,* and Irene Baird published *Waste Heritage,* the nearest thing in this country to *The Grapes of Wrath.*

In the war years things began to move. There were the new literary magazines *Northern Review* and *Contemporary Verse* (both survived for more than ten years), and the CBC and National Film Board were becoming large markets for Canadian writers. Hugh MacLennan published his first novel *Barometer Rising,* and *Earth and High Heaven* was a best seller in the United States as well as in Canada. There was a new generation of poets, and one member of that generation, Irving Layton, has become one of our most impressive writers. About 1941 a novel by the French-Canadian writer Ringuet was published in English Canada as *Thirty Acres*; it was the forerunner of translations of books by such younger writers from French Canada as Gabrielle Roy, Roger Lemelin and Andre Langevin.

There's no question that the literary situation in Canada today is better than it was twenty years ago. The mass circulation magazines and the "little magazines" are alike more professional; they at least look now as though they belonged to the twentieth century. The literary markets are larger, the writers more professional; but there are still too few professional writers for what markets we have. But too many Canadian publishers are still merely agents for publishing houses abroad. The short story market has rarely been more precarious. There is less secret censorship of books and magazines.

It's a mixed blessing that there are in Canada today more middlemen of the arts (like myself) than ever before, and that money from the Canada Council is helping to create a hothouse atmosphere for all the arts. The universities are almost too eager to foster critical studies of Canadian writing, and a dozen academic specialists are now at work on a history of writing in Canada that sounds overpowering enough to silence all but the toughest novelists and poets. But the independent critic and man of letters is still a lonely figure.

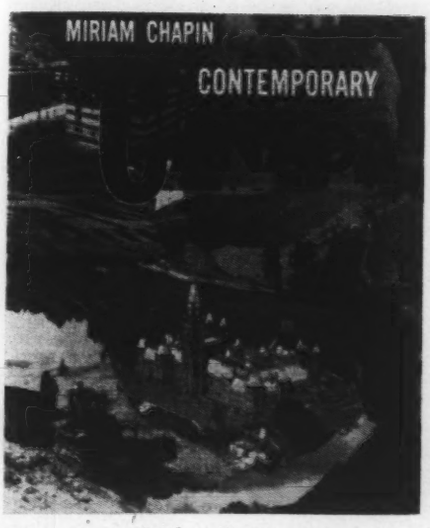
There is more coming and going abroad. The August issue of the *Atlantic Monthly* has a poem, an essay and a short story by Canadians. It's reassuring that a writer as talented as Brian Moore should settle in Montreal and begin to write fiction with a Canadian background. It takes us out of the minor leagues for a moment when *The Watch that Ends the Night* spends weeks on the American best-seller lists. English Canada is beginning to pay some attention to writing in French Canada, and we suddenly have a number of what I suppose we might call ethnic novelists: Adele Wiseman, Mordecai Richler, and John Marlyn. Some of our most vigorous prose comes from such writers of non fiction as Donald Creighton, A. R. M. Lower, Farley Mowat and Pierre Berton.

But the cultural climate is bland. Norman Levine's disenchanted view of his own country, *Canada Made Me,* didn't even start an argument, it just died. Two or three years ago I said that we needed some existentialists and Angry Young Men in Canada, and the newspaper columnists and editorial writers had a ball for three months afterwards. I haven't changed my mind. Our society at midcentury is smug enough to make a parcel of Angry Young Men—but most of the young writers seem to be angling for a Canada Council fellowship or a sale to *Maclean's* or the CBC. After twenty years, then: outlook more promising; no time for self-congratulation.

Books

by Ernest Watkins

A Current, Clear-Eyed View



Jacket Design

HAVING ONCE WRITTEN a book on Canada myself, I am a cautious, even timid, reviewer of another of the same *genre*. Of course the experience has its advantages. I can appreciate not only the excellence of the final product, as here, but also the hard work, thought and care that went into its preparation. Miriam Chapin has a far greater knowledge of Canada than I had when I went to work, and she has used it, in *Contemporary Canada,* to wonderful advantage. But a book cannot be admired in isolation. It has a purpose. It is written for a public, in this case primarily for an American public which is, as the author well knows, neither well informed nor deeply interested in Canada. So where do I begin?

From our different standpoints? Miriam Chapin is a North American, a New Englander by birth and education, and she has retained her United States citizenship. I am a European by birth and education, on the point of acquiring Canadian citizenship. Naturally we see Canada differently. As a native daughter of Vermont she can hardly be a Democrat, but I sense that, in Canada, she leans toward the Liberal Party; certainly she approves strongly of Lester Pearson. I am a Conservative. That difference does not really divide us, but it has its consequences. Far more important, she is doubtful if we Canadians can retain our independence of the United States, and she even considers that we might gain something if we do not. I am horrified at the very thought, which means that the book has had one good effect on me; it has made me think again. And yet to judge her impressions and conclusions through my mind would be unfair to her, and her readers. When we differ, why should I assume that I am right?

Or should I emphasize our points of agreement, which are many? She is kind but blunt on the attitude to women of the male English Canadian, and very observant. She is shocked at our penal system and at our approach to the problems it was set up to solve. She implies that in this field we have allowed emotion and prejudice to inhibit thought, and I think she is right. She is equally shrewd in her discussion of education across Canada, and well aware that this is a problem of a different nature, since so much of the conflict is between people who, by their own standards, are entirely justified in the stands they take. We need to be reminded—at least I did—that our education system rests on the British North America Act by design and not by historic accident, and we must solve our problems within that framework, or not at all.

Or would it be better to use the approach of the examiner, and give marks for observation, research, extent of ground covered and clarity of expression? It would save space, and leave you impressed, for the score would rarely fall below 90 out of 100, but it would be as monotonous as quoting from the book's index. Here is a book with nothing of interest left out, nothing of importance brushed aside, with nothing of the cliché or the commercial guide book left in. Mrs. Chapin is an extremely competent journalist and, since competent journalism is neither easy nor common, this is a book of which she has every right to be proud. But one cannot explain anything in superlatives.

There are other avenues of approach open to a reviewer. For instance, he can extract from the book comments of which he approves and wishes to see emphasized. Canada's changes in twenty-five years; do we realize how working conditions have improved, or how bad things were, by comparison, twenty-five years back? Take this quotation.

"Until 1932 the seven day week and the twelve hour day were common. At that time men in Montreal's sugar refineries worked twelve hours a day in steamy heat and an eighteen hour swing shift on Saturday night. They had no pension plan, no health service, no unemployment insurance, and they were not exceptional. In 1955 a Government survey of sixty-five plants with over a million workers showed 84 per cent on a five day week, covered for life, surgical and hospital insurance, and almost all with at least a week's paid vacation . . . In twenty-five years the workingman has entered a different world."

But even that has its risks. It is a form of cheating, for it enables a reviewer to distort a book by altering the balance the author has been at pains to achieve. All things considered, I prefer to fall back on an equally well established practice, that of using the book as a peg on which to hang something I wish to say myself. And the subject I choose is that which Mrs. Chapin discusses in her last chapter, "The Friendly Neighbor"—our relations with the United States, her thought that we may be overrun.

To do her justice, she would be as dismayed as anyone at the thought of Canada, particularly French Canada, becoming overwhelmed and totally absorbed within the American way of life. She is

Miriam Chapin: Makes you think again.

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aware as any Canadian of the things about Americans that irritate us. She is as realistic as we all should be over how to tackle the situation, if we do indeed want to tackle it, and on the obstacles we shall meet in the attempt.

"It does Canadians even less good to delude themselves that the United States would yield to its pleas if it understood them. No nation is that altruistic . . . A single moan from a small factory owner in a Senator's own state counts for more than all the protests of a foreign nation against a raise in tariff rates. Award a contract to a Canadian firm, whose bid is lowest, when Americns are unemployed? Never while a Congressman breathes."

All that we know. Where Mrs. Chapin does use her pointed rapier is when she considers our lack of initiative in our relations with the American people. Americans are not taught very much about Canada at school; we may think it a pity but it is their business. What efforts have we made to explain ourselves to the average American? One Canada House, in New York. One Ambassador in Washington, DC, eight Consuls-General, with comparatively small staffs, and one Honorary Vice-Consul, a gentleman in Portland, Maine. As against that, we have no fewer than fourteen Ambassadors in Europe, plus a High Commissioner in Britain. If we are to make Americans aware that Canada is free, white and twenty-one, we must take pains, and spend money, to do so. Building better mousetraps is not a solution to our problem. Americans would buy up the patent rights and move the factory south of the border, or operate it as a Canadian subsidiary. If we are different from Americans, we must surely explain those differences. If we value the differences, we must justify to them the values we claim for ourselves.

But this is only half the story; in any sales promotion effort, there are always two questions to be settled—what are we going to sell, and how are we going to sell it? Despite Madison Avenue, I think the first is the more important. Our greatest danger, I think, is not that we shall lose (or have already lost) our political or economic independence to the United States. It is that we should ignore, or give too little thought to, the fact that our inevitable contacts with the United States can if we wish, modify the North America of the future. Slowly—far too slowly—the political states of the world, and their peoples, are realizing that independent sovereignty in the 19th century style is no longer possible, even for the greatest of powers.

If we look outside our own continent we can see the movement quite clearly. Western Europe is coming together. We see Frenchmen influencing Germans, and both (perhaps reluctantly) listening to

Italians. We are already doubtful if the United Kingdom was wise to have pulled her skirts so far away from the Common Market in Europe, but even the United Kingdom is now anxiously trying to organize her own regional free trade area around the Common Market countries. The West Indies are a federation. Ghana, Guinea and Liberia are becoming the nucleus of West African union. If we are not rigidly anti-Communist, we can see that even Soviet Russia does not entirely escape the influence of her neighbours, Poland and Yugoslavia.

But do we apply those lessons back home? I have the impression that many of us imagine that there are only two possibilities facing us; one, that we remain politically exactly as we are now, for ever; the other that we become State No. 51 (perhaps even States Nos. 51 to 60) within an unchanged and unchangeable United States constitution. I would not dare to suggest that we should try to bring the United States back under the Crown (although I think it unfortunate that her rebellion suceeded) but in a world that is moving from relationships based on sovereign independence to those based on regional interdependence at least let us think more on what that interdependence could come to mean.

We believe, justly, I consider, that we have a better system of government, of law and respect for law, than the United States. What is absent is the belief that should go with it, the belief that we could, if we tried, have perhaps a decisive influence on what the people who will live in North America in the 21st century will think and do in terms of politics and external relations. Could we not supply more of the yeast to this North American mixture, since we shall provide such a small proportion of the flour?

On its jacket, this book is described as "highly controversial". I fail to see why. It is written by a woman who is extremely well informed on all that has taken place since she came to live here, who does not sentimentalise either Canadians or Americans, and who has applied her intelligence to a study of our affairs and our position on this continent. She is rarely mistaken over a fact and, while everyone, naturally, will not accept all her conclusions, I doubt if anyone could honestly label any of them superficial. Every American who reads this book will understand Canadians better, and if he has to guess a little on why we are as we are, the book does not set out to be a history. I think we are considerably in debt to Mrs. Chapin and, since such debts cannot be paid, it is all the more important that they should be acknowledged.

Contemporary Canada, by Miriam Chapin pp. 332—*Oxford University Press—$7.50.*

Lighter Side

by Mary Lowrey Ross

Shrinkmanship

"THE THEORY OF DESIGN on this continent is about twenty years out of date," Mr. Bollinger said, "Designers are still working on the principle that things have to be bigger and bigger. Actually things are bound to get smaller and smaller. The notion that everything is expanding is just an illusion. Anyone should be able to see that everything is contracting."

"Cities are certainly getting bigger," I said.

"Only because that makes it possible to crowd more and more people into less and less space," Mr. Bollinger said.

"Oh well, in that sense—" I said.

"In any sense," said Mr. Bollinger. "You only have to pick up a paper and look at the editorials. Our Shrinking Continent. Our Shrinking Export Trade. Our Shrinking Planet. Our Shrinking Dollar."

"People are getting bigger," I said after a moment.

"Taller perhaps. Not bigger," Mr. Bollinger corrected. "Show me a woman over thirty-five that doesn't try to crowd into a size-twelve dress."

"Yes, but most of them are having bigger families," I pointed out.

Mr. Bollinger considered. "Families may be getting a little larger," he said, "but on the other hand homes are getting smaller. Fifty years ago the average middle-class family lived in an eight roomed house, and look how it lives today. The dining-room has become a dinette, the laundry a laundrette, the spare-room a divanette. And naturally everything has been scaled down to match—the rangette, the mini-piano, even the apartment-sized family dog."

He snatched absently at a passing tray. "Or take food," he said. "Ever look at a Victorian cook-book. Take a dozen and a half eggs and a quart of rich cream. The Victorians really lived high on the hog. And now what do we have instead of the so-called groaning board? The TV dinner on a disposable plate, followed by instant coffee and one of those jiffy puddings. Because, remember, time is shrinking along with everything else."

I eased myself against the built-in bookcase. "Well anyway things are a lot more comfortable and convenient," I said.

"I'm not talking about comfort and convenience, I'm talking about scale," Mr. Bollinger said. "Naturally a good deal of comfort and convenience have come along with the reduction in scale. Take clothes for instance. What is the most significant change in men's and women's clothes in the last twenty years? The introduction of the shorts, the scanties and the briefs. Do you realize that it is now possible to travel across the continent with no more luggage than you can cram into a glove-compartment?"

"Well I'll admit the continent is shrinking," I said and added not too hopefully, "Still, there's outer space."

"And how do we propose to explore outer space?" Mr. Bollinger said. "In a nose-cone, the ultimate reduction of space in which it is possible to survive."

"Oh Mr. Bollinger, Mrs. MacWhitty is dying to meet you," our hostess said, and swept him off to Mrs. MacWhitty, a striking brunette. I wandered away and presently wandered back again in case there might be something I had missed. "The big historical novel?" Mr. Bollinger was saying, "Who reads the big historical novel these days? Most people want novel-condensations in digest magazines. It's part of the whole trend towards reduction. Name me a single area—"

"Sex?" Mrs. MacWhitty said brightly.

"You can get it all in the tabloids," Mr. Bollinger said, "just as you can get most of literature in pocket-book editions and most of history microfilmed and stored in a time-capsule. Anything you care to mention from the cradle to the grave—and incidentally the cradle has become a bassinet."

"Well at least the grave is irreducible," Mrs. MacWhitty said with a nervous laugh.

"How about the crematory urn?" Mr. Bollinger said.

Feeling slightly claustrophobic, and with an ear badly bent, I backed out of the little circle. "Watch it," said my host who happened to be passing. "I see you've been talking to Bollinger."

"Who is Bollinger?" I asked. "I mean, is he here to revolutionize the theory of design or something?"

"Not as far as I know," my host said. "I believe he's here to promote the small British car. Here have a little drink."

"If you don't mind," I said, "Could I please have a good big one?"

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East Sullivan

I would appreciate it if you could enlighten me as to the future of East Sullivan, which has missed dividends for two years. Should I hold my shares for appreciation and future earnings or take my loss now?—I.C., Vancouver.

Your decision on East Sullivan will depend on your ability and willingness to stay with a speculative situation.

East Sullivan is a two-way bet: (1) on the price of copper, which has been sagging lately and (2) on the possibilities of encountering more ore. The latter would be enhanced if the price of copper improved since higher metal prices usually promote into the category of ore, or profitable material, what would otherwise be country rock.

While there is no assurance that recent prices for East Sullivan represent its low, they do not appear to be excessive. The company has outstanding 4.25 million shares, and no senior securities. Thus the entire market capitalization is of the order of $7.2 million whereas net liquid assets at Dec. 31, 1958, were more than $6 million. The low market capitalization in relation to current assets may be partially explained by the fact that the latter included some $4.8 million in securities of other companies.

East Sullivan had an operating profit of some $400,000 in 1958 but various writeoffs turned this into a net loss. Officials were looking to an improvement in operating results this year prior to the price of copper receding.

The company at the end of 1958 had in reserve about three and a half times as much ore as it treated during the year.

Foreign Securities

Would you comment on the statement attributed to an official of the Montreal Stock Exchange as to the time not being ripe for listing German and other European stocks on Canadian exchanges? In the same breath, he reportedly said that Canada was interested in introducing Canadian shares on more European exchanges, these being already traded in London, Paris and Amsterdam. These statements appear to be contradictory and hardly a strong argument for international securities trade.—B.A., Ottawa.

If there were enough trading interest in European securities in Canada, which would be the result of a substantial holding of them in this country, the Canadian exchanges would try to list them. Listing does not create a market in securities; it follows it. European and other foreign markets already deal in some Canadian securities in which there is a world interest. We would not look for a rapid increase in the list of such securities because very few of our corporations have the world-wide distribution of their shares which is necessary to the big foreign exchanges noticing them.

There is a handful of British securities in which there is a sizeable trading interest in Canada in the over-the-counter or unlisted markets. There is no obstacle to the Canadian exchanges with unlisted or curb sections trading such securities without the issuing companies applying.

New Mylamaque

Would you please give me an up-to-date report on New Mylamaque? About what amount would the company need to finance the mill at Kingston?—J.R., Toronto.

New Mylamaque is conducting negotiations with prospective financing and iron-purchasing groups which would provide capital for the development of, and a market for, the product of its iron property near Kingston.

The company has been investigating ways of producing pig iron or semi-steel from its deposit by means of a direct-smelting system.

Officials describe prospects for the operation as bright and claim that capital cost of the mine, mill and smelter could be repaid within the three-year period of income-tax exemption which new mines enjoy. But they aren't yet able to say what the capital cost will be. Obviously the terms upon which the company can finance will depend on the credibility of estimates

as to operating results.

New Mylamaque officials say the brightest hope for sales of pig iron is to Canadian outlets. They hope to announce a sales contract for the product simultaneously with senior-financing arrangements.

Gatineau Power

May I ask for a review of Gatineau Power common through your column?—W.M., Fredericton.

Gatineau Power is a blue chip as evidenced by the high price-earnings ratio—about 18:1. The promise the future holds for the company is evident in the progressive increase in net earnings from $14.7 million in 1953 to $18.9 million in 1958. The effect of growth of these proportions has not been lost on astute investors.

About the only thing which could interrupt this trend—and it would be temporary—would be unfavorable water conditions. This could result in a reduction in the amount of excess power the company has available for sale. Chief customers are the Hydro-Electric Power Commission of Ontario and Canadian International Paper Co.

A holding of Gatineau Power may be as good a way as any to recover your electric-light bill.

Merrill Island

Would you let me have a report on Merrill Island, listed on the Toronto Stock Exchange?—R.S., Toronto.

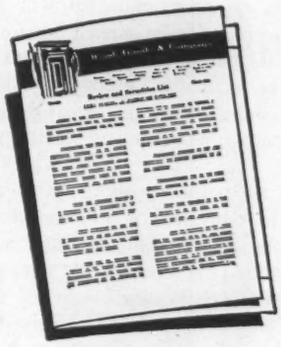
Merrill Island is a producing copper property in the Chibougamau section of Quebec, a portion of the ground being worked by Campbell Chibougamau on a royalty basis.

Market valuation of the company represents the consensus of opinion as to its chances of making ore over and above existing reserves. Something, of course, has to be allowed for the fact that the mine is now operating. Profit before write-offs in the nine months ended March 31, 1959, was estimated at about $400,000, based on copper settlements at 29 cents a pound. The company has outstanding 5.4 million shares. Current liabilities exceeded current assets by $18,000 as at June 30, 1958.

International Utilities

Could you provide some recent information on International Utilities Corp?—D.S., Abbotsford, B.C.

International Utilities Corp. has a strong position and favorable growth prospects and like similar companies in the energy field tends to command a high price in relation to current income. The company is,



Current Business Topics

In each issue of our Monthly Review and Securities List we deal with a current business topic or a timely aspect of the Canadian economy. Particulars of a number of recent new Bond and Share issues are included, along with prices and yields of Government, Municipal and Corporation securities available for investment.

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The transfer books will not be closed.

BY ORDER OF THE BOARD,
W. B. Affleck,
Assistant Secretary.

Vancouver, B.C.
30 July 1959.

Simpson's

Dividend Notice

NOTICE is hereby given that a Dividend of fifteen cents (15c) per share on the outstanding Common Shares of Simpsons, Limited has been declared payable September 15, 1959 to shareholders of record at the close of business on August 19, 1959.

By order of the Board.
K. W. Kernaghan,
Secretary

Toronto, August 7, 1959

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Notice is hereby given that a dividend for quarter ending October 14, 1959, has been declared on the capital stock of the Company as follows:—

First Preference Shares, Cumulative Redeemable. Series "B" 40 cents per share

The dividend will be payable October 15, 1959, to shareholders of record at close of business on the 16th day of September, 1959. The transfer books will not be closed. Payment will be made in Canadian Funds.

By Order of the Board.
R. G. MEECH,
Secretary.

Toronto, August 14, 1959.

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THE CALGARY & EDMONTON CORPORATION LIMITED

Notice is hereby given that a dividend of five cents per share was declared on the 28th day of July, 1959, payable on the 15th day of October, 1959, to shareholders of record at the close of business on the 11th day of September, 1959.

BY ORDER OF THE BOARD
R. G. Rennie, Secretary.

DATED at Calgary, Alberta this 28th day of July, 1959.

through subsidiaries, engaged in the management and development of natural gas and electrical companies and properties in Alberta, an area whose growth prospects do not have to be spelled out for the investor who has followed the growth pattern of the Canadian economy. Alberta can be expected to witness great development in petro-chemicals and ancillary industries.

This is a situation with much to commend it to the investor who is satisfied with a low return while awaiting anticipated growth. This should be of the steady rather than spectacular variety. Price swings in the stock should be ignored. Investors who sell equities like this on bulges seldom get them back.

Nickel and Markets

What justification is there for International Nickel commanding a price of $100 a share or so?—W.F., Victoria.

You are doubtless aware that International Nickel has in hand a $200-million project in Northern Manitoba at which operations are slated to commence next year. This will bring its nickel capacity in 1961 to 385 million pounds a year out of a total estimated free-world output of 650 millions. Marketing by the company of production of this order would require doubling of 1958 nickel consumption of the free world.

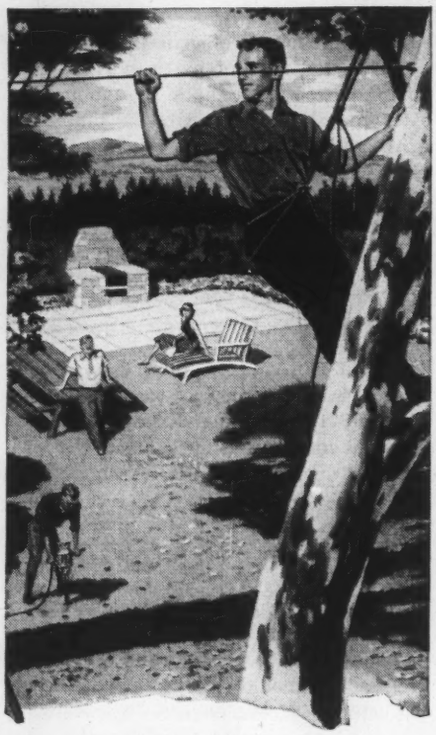
To achieve this objective Inco has launched a costly and extensive market development and research program. Major areas in which the use of nickel might be expanded are automotive, supersonic-aircraft, nuclear development, architectural and industrial, and household appliances.

Nickel owes its present market acceptance to research and sales programs which Inco instituted after the first war. The current market valuation is anticipating expansion in profits as a result of increased production facilities and reflects confidence in the company's ability to develop markets for increasing output. The successful investor in the modern economy is one upon whom the implications of sales promotion are not lost.

Brunswick Mining

What are the chances of Brunswick Mining & Smelting Corp. being reactivated?—S.G., Halifax.

Brunswick has been a casualty of market developments in lead and zinc, world overproduction of which is evident in the United States imposing quotas on imports. The company is not proceeding with production plans until a better balance between world supply and demand for the metals is reached and the cost of financing becomes favorable.



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Bralorne

Tell me if Bralorne Mines, now consolidated with Pioneer Mines, is an investment with any future?—M.T., Victoria.

The answer is yes. Bralorne Pioneer Mines is now operating the Bralorne and Pioneer properties, which adjoin as two separate entities. These are rich and interesting groups of claims, for which high hopes are justifiably held.

The Bralorne division is deepening the Queen shaft, continuing development on its 77 and 79 veins and planning increased attention to its 93 structure. It also plans to probe the depth possibilities of the King mine, from which the company's first production was obtained in the mid-thirties but which has been developed intensively only to the eighth level. Drilling will be carried out from the 20 level crosscut of the adjoining Taylor Bridge and will also explore the Taylor Bridge property.

The Pioneer property has several promising structures to be tested.

Bralorne Pioneer position is reinforced by existing ore measures and an impressive history of production. The speculative investor in this situation can reasonably look forward to development news being made. The question mark is how good it will be.

In Brief

When will Steep Rock commence dividend payments?—E.A., Winnipeg.

It's anyone's guess, but financial position is improving.

Has Madsen Red Lake reached its new, deep ore yet?—C.H., Saskatoon.

Should reach this inviting target by the year end.

Is Hudson Bay earning its dividends?—K.B., Ottawa.

Yes, and more.

Anything new with Arcadia Nickel?—R.T., London.

Talking of further work on its Toburn gold property at Kirkland Lake.

What's the status of Coldstream?—L.C., Windsor.

Being reorganized as North Coldstream, basis is one new share for four old.

Why did Placer Development sell its oil holdings?—P.B., Calgary.

Presumably to increase mining interests. It is basically a mining company.

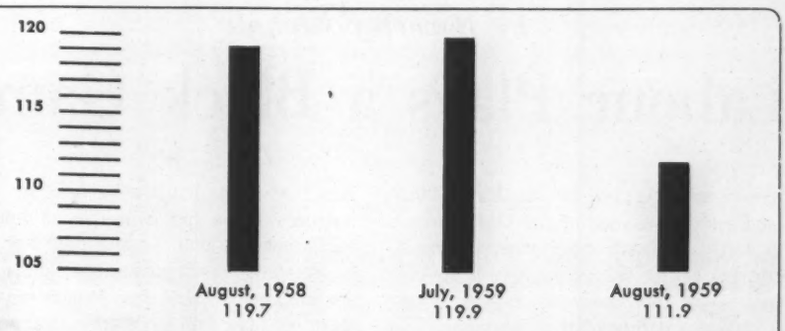
What's the matter with Sherritt Gordon?—J.E., Chatham.

Nothing that an improvement in grade and/or the price of nickel wouldn't cure. Pessimism on this one may be overdone.

Any change in Goldale?—R.O., Toronto.

Much the same condition in the past, with the portfolio showing some improvement in value.

Saturday Night Business Index for August



(Saturday Night's Business Index is a compilation of statistical factors bearing, generally, on Canada's gross national product. It is designed to reflect pace of economic activity. The base 100 is drawn from 1955 data.)

Indicator Table	Unit	Latest Month	Previous Month	Year Ago
Index of industrial Production ▶	1949 — 100	164.4	165.2	154.4
(Seasonally Adjusted) Retail Trade ▶	$ millions	1,438	1,352	1,398
Total Labour Income (Seasonally Adjusted) ▶	$ millions	1,468	1,467	1,366
Consumer Price Index ▶	1949 — 100	125.9	125.9	124.7
Wholesale Price Index ▶	1935-39			
Of Industrial Materials	= 100	241.6	241.7	229.4
Inventory, Manufacturing Industry (Held & Owned) ▶	$ millions	4,405	4,416	4,461
New Orders Manufacturing Industry ▶	$ millions	1,998	1,950	1,900
Cheques Cashed, 52 Centres ▶	$ millions	20,820	21,433	20,807
Imports for Consumption ▶	$ millions	524.0	515.7	446.3
Exports ▶	$ millions	519.9	434.5	428.5
Contract Awards (MacLean Building Reports) ▶	$ millions	304.7	372.2	317.6
Work Week in Manufacturing ▶	hrs. week	41.1	40.7	40.7

Latest month figures are mainly preliminary ones.

Index of industrial production figures shown here this month are a refinement of the recently revised figures. They are not comparable to figures shown in previous months.

by Maurice Hecht

ONE OF THE MOST IMPORTANT improvements in the last year has been in the upgrading of Ottawa's statistics. Many of the techniques used in compiling figures were sharpened up. We now get a clearer view of what's happening to our economy. But you might as well discard lot of the old figures you've been saving: you can't trust them now.

One of the changes made was in total labor income. New figures were higher than the old. We use seasonally adjusted figures here (another Ottawa improvement). Corrections were recently made to the improved figures. These corrections are normally made each year, but not in 1958.

Most figures became larger than previous ones—the second jump. One recent month showed that total labor income was $31 million higher than was formerly thought. This is a lot of extra money in one month and helps explain why retail sales have been buoyant this year.

Facts in general show that people have more money to spend on discretionary purchases than they have had for many a year. That's why some stymied pessimists are finally forgetting about their idea of a prolonged recession and predicting a new one around about 1961. They won't be happy without one.

The change in atmosphere during the past months was clearly shown by the figures for capital investment which came out of Ottawa's midyear review of the outlook. Private enterprise decided to invest a lot more than it had figured on at the turn of this year. Factory building, as *MacLean Building Reports* show, is beginning to jump these days. This is one of the best omens for the future.

Right now the economy is several per cent ahead of any previous high and there is no sign of going back.

London Letter

by Beverley Nichols

Labour Plays a Black Game

INSTEAD OF "CALLING in the New World to redress the balance of the Old"—which is a fairly accurate description of the financial policy of successive British governments since the war—the Labour Party has called in the Dark Continent. The turmoil in Africa is to be used to disturb the complacency of an electorate lulled into torpor by a long season of Tory prosperity. That, at least, is the idea; and it is not only a good idea, it is the only idea.

Where else is the party to turn in its discomfiture? It cannot raise the bogey of unemployment, because the figures are dropping steadily, and now stand at only 1.8 per cent of the total population—the lowest for a couple of years. It cannot pose as the champion of higher wages, for the simple reason that wages stand at an all-time record. The latest figures of the Institute of Economic Research give the average wage packet at about thirty dollars a week.

Prices are stable, the pound is strong, and industrial production is up 4½ per cent over last year. It cannot wave the flag of further nationalization, because the average British workman doesn't give a hoot who owns what as long as he gets a good wage. And he has grasped the fact that the workers in some of the nationalized industries—such as the railways—are paid far less money and treated with far less consideration than the workers in industries run by the brutal capitalists.

Worst of all, the party cannot pose as the Party of Peace. Ever since the First World War there has been a large floating pacifist vote which cuts across all parties (Twenty years ago I was an out-and-out pacifist myself, till Hitler taught me better). This vote, however much we may sympathize with it, is sentimental, illogical and largely feminine. To put it brutally, if you tell enough young women that their babies are going to be born blind unless we unilaterally renounce the H-bomb, they will vote for anything or anybody.

But the Labour Party *cannot* unilaterally renounce the H-bomb. Whatever government is in power after the general election, we are firmly committed to keeping Thor missiles on British bases for at least four years, and to continue producing atomic explosives for ten years. Any reversal of these binding agreements would not only strain the American alliance but might actually end it—and only a handful of the most rabid extremists in the party are prepared to risk that. Which makes all these slogans the Communists are chalking up on the walls of East Anglia—"Go home, G.I.!" is the commonest — look rather foolish.

Hence Africa. If the party could really put guts into the black bogey and (a) make the British people's flesh creep with the thought of the dark millions rising against them, and (b) wring the British people's hearts with stories of the brutal oppression of the enslaved races to which they were lending their tacit support—surely *that* would be an electoral winner? But things have not worked out their way. To begin with, in the past couple of years the British Isles have witnessed a considerable invasion of colored people, and familiarity has bred—certainly not contempt—but the normal stresses which were to be expected. And some of these stresses have certainly not been lessened, in the metropolitan area, by the activities of Sir Oswald Mosley, who has not renounced his quasi-Fascist philosophy.

Far more important has been the whole handling of the African situation by the Government. Perhaps we can appreciate this best if we put the picture in a broad perspective. Here is a vast patchwork continent which we are gradually, painfully, and in some people's opinion, far too quickly, bringing to self-government—as, in the life-time of the present Government, we have already brought Ghana and Malaya. At Hola camp, which housed the hard core of the Mau Mau terrorists, there was a tragic incident which involved a number of prisoners' deaths. True, even the opposition did not deny that the prisoners were themselves sub-human murderers, whose record of atrocities was so obscene that it could only be published privately, for consumption by persons with strong stomachs. In spite of this, they were British subjects, and justice must be done.

Mr. Justice Devlin: Miltonic prose.

And justice, surely, was done in the Hola enquiry, and the Devlin report, which dealt with the crisis in Nyasaland, where the Governor declared a state of emergency. What other people in the world, confronted by such provocation, would have met it with such academic impartiality? What other people, holding all the reins of power, would so willingly have let them fall, and set up a committee of lawyers, ex-governors, and intelligence officers to enquire into the facts? And what other people, after thousands of witnesses had been interviewed, would have published the results in a masterly summary written in Miltonic prose, for all the world to read? A summary which, incidentally, is by no means wholly favorable to the Government which instituted the proceedings?

All, please note, in the full spotlight of publicity.

When one thinks of all the dark horrors of the recent years—the rape of Hungary, the slow suffocation of Tibet—when one recalls the torrent of lies that swirls through the council chambers of the Middle East—it seems the grossest perversion of the truth for the Labour Party to describe such conduct as "infamous", or for Aneurin Bevan to prophesy that the present parliament will go down in history as the "squalid" parliament. And it is difficult to believe that a majority of the electorate will be found to share his opinions.

Whatever adjective may eventually be chosen to characterize the government, the financial historian will certainly describe the present era as the "take-over" period. In the past month hardly a day has passed which has not seen the shares of some old-established business sky-rocket overnight, sometimes by several dollars, as the result of manoeuvres by various groups of sharp-sighted gentlemen in the City. The latest example is the greatest of all London's general stores—Harrod's.

As many Canadians know, this is a vast, dingy red pile in the Brompton Road. Its goods are of the highest quality and so is its service; indeed, as one glides through the revolving doors one feels that merely to step into Harrod's is to take a step up in the social scale. It is more than possible that one might encounter Princess

Harrod's: Going up the social scale.

Margaret in the ribbon department, particularly towards Christmas, when various members of the Royal Family have the habit of wandering about incognito.

Suddenly, overnight the financial spotlight settled on this sedate institution with a bid from the United Drapery Company for Harrod's shares of two dollars over the market price. Hardly had the startled shareholders finished calculating their paper profits than the Scots millionaire, Hugh Fraser, stepped in with another and even higher bid. As if this were not enough, hot on his heels came the big firm of Debenham's with the highest bid of all, which Mr. Fraser promptly bettered.

At the moment of writing the fight is still on, with the exhilarated shareholders cheering the contestants in the hope of still more substantial benefits. Meanwhile, inside the store, the slow and measurely pace of business continues, and if you are lucky you may still observe Princess Margaret wending her way past the ribbon counter.

If you have ever read the London papers in Canada you probably get the impression that the old city is given over to lawlessness and rape and armed assault of every description. We have a habit of headlining our national failings, and even the slightest scuffle between a tough and an old lady with a hand-bag is given front-page treatment. But if you compare London's record with that of other cities, such as New York, a somewhat different picture is presented. Last year, according to the figures which have just been published by the Commissioner of Metropolitan Police, London had 30 murders to New York's 354. In London there were 27 cases of rape, in New York 1,115. As for robberies, London was discontent with 558 whereas New York's record soared to 6,046.

In short, New York had far more serious crimes than the whole of England and Wales put together. There is no need for the Canadian tourist to include a revolver in his luggage.

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Point of View

Who Is On the Side of Law?

No one could appreciate personal freedom more, or guard it more zealously than I, but I do not look on the Obscenity Law, any more than on any traffic law, as an infringement on this freedom, but rather as protection against an undesirable mental environment which I do not normally crave. I have therefore read with growing alarm the numerous articles appearing in newspapers and magazines [and I must include Saturday Night] denouncing the government's attempt to safeguard us against the encroachment of unwholesome books and magazines.

You never hear of anyone defending the right of an individual to peddle narcotics, yet the harm done by unsavory books, which are so often dramatized on radio and television, is infinitely more far-reaching.

Over a hundred years ago, William James discovered, what has since been accepted by all leading psychologists, that every physical sensation, every contact with the outside world, leaves a *permanent* trace among the ten billion cells of the human brain. Should this not be sufficient reason to make us pause and consider with what we fill this magnificent storeroom of the mind?

A child whose mind is steeped in stories of crime and lust, cannot possibly be expected to have the wholesome outlook on life, or be as apt to become a responsible citizen, as one who has been nurtured on the mysteries of nature, the wonders of the universe, or stories of the lives of great men and women who have contributed so much to Man's progress. As someone has so wisely said, "As the sun colors flowers, so reading colors life."

We can attribute our present culture to the fact that our forebears had the instinctive wisdom to preserve the stories of heroes, handing them down from generation to generation until they became legend. But we, in our vaunted freedom, are leaving to future generations the dramatized story of the life of Al Capone, who it must be admitted in all fairness, achieved the things for which we strive, wealth, power, popularity and sex.

Highly placed and respected men like Senator Roebuck, and Senator W. R. Davies, who denounce the Obscenity Law so vehemently, are doing incalculable harm by these pronouncements. Their brilliant oratory has apparently convinced otherwise intelligent people that they are being modern in their thinking, when actually they betray the fact that they are still living in the Victorian era, when books were a luxury to the common man; when there were no radios to assail our ears by day, or TV sets to present crime in all its realism at night. The effectiveness of constant advertising is well known, and what is advertised more than sex or crime? Ironically, under the report of Senator Davies' speech in the *Winnipeg Free Press,* was this heading: "14-Year-Old Sent To Trial For Murder."

Those who defend the right to publish books that portray sex as a subject of levity instead of reverence, and crime as thrilling entertainment, are directly responsible for the sex crimes and murders committed by mere children. Of course there is nothing wrong with sex. It is true that like a sacred flame, it pervades all life, including the animal and vegetable kingdom, but only man has debased it. Sex has been magnified out of all proportion in its relation to other urges. Without the urge to write, paint, sing, dance, invent and explore, we would still be at the level of animals, whose only creative outlet lies in reproduction. Surely the Honorable Senator cannot interpret the Obscenity Law as legislation against sex! And how does he propose to "legislate against the perversion of sex" without banning the dissemination of such perversions through books and magazines? He doesn't say.

Another point that has clearly escaped his attention is the fact that a hundred years ago, reading was chiefly the prerogative of the elite, and it must be admitted their moral standards were none too high. Even fifty years ago, most of the immigrants coming to this country were illiterate, whereas those arriving today have a better than average education, and by attending night schools learn to read English in a year or two. Illiteracy has almost reached the vanishing point and because of this, what we read has become of paramount importance. Unsavory books may be compared to strychnine, which, in small doses, has medicinal value, but in large ones becomes lethal. It is in this saturation of the mind with unwholesome thoughts that the real danger lies, and which makes it necessary to legislate against it, even at the price of some personal freedom.

As for the danger of banning books that may be in future regarded as classics, we all know that persons have been wrongly imprisoned and even put to death, but should we therefore abolish all criminal laws and let the criminal wreak his vengeance on those who oppose him, or worse still drive his victims into insanity with dope?

Even if the proposed law has some defects, could these not be mended? And should it assume dictatorial powers over free expression of *honest* opinion, (which I doubt very much) could it not be repealed? We must keep in mind that we are now living in the Atomic Age, when a sneeze can be heard around the world, which is a far cry from Shakespeare's day, when perhaps he had good reason to feel that "The world must be peopled". Overpopulation is posing one of the greatest problems today and it is up to us to see that our world is not peopled with guttersnipes.

As free citizens we should have the right to object to filth being brought into our homes. If obscene books like sewers are necessary, let us keep them underground where they belong, and not flaunt them on every bookstand and magazine rack, or what is even worse, extol the reading of them as a privilege of the free instead of the disgrace they are to our society. We should therefore commend those who are making an effort to free us of this menace by bringing it into the open, and thus showing the sense of responsibility so lacking in our aged senators.

Not once have I seen a rebuttal in print. This has filled me with dark misgivings. Can it be possible that those supporting this law are being muzzled by the very press that claims to uphold freedom of expression? I sincerely hope I am wrong, but my suspicions are deepened by the fact that everyone of my acquaintances (and they comprise a good cross-section of readers ranging from adolescents to the very aged) support me in my views. Not once have I heard a dissenting voice. Why then has nothing appeared in print to support the other side of the question? Surely not all are chicken-livered.

I would very much like to see the public's reaction to my "Point of View".

HELEN ZADO

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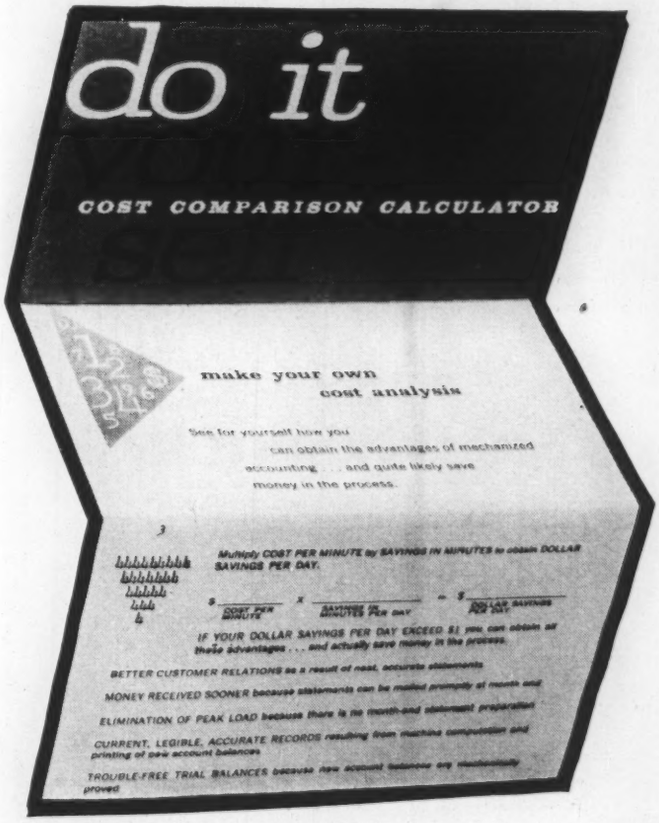
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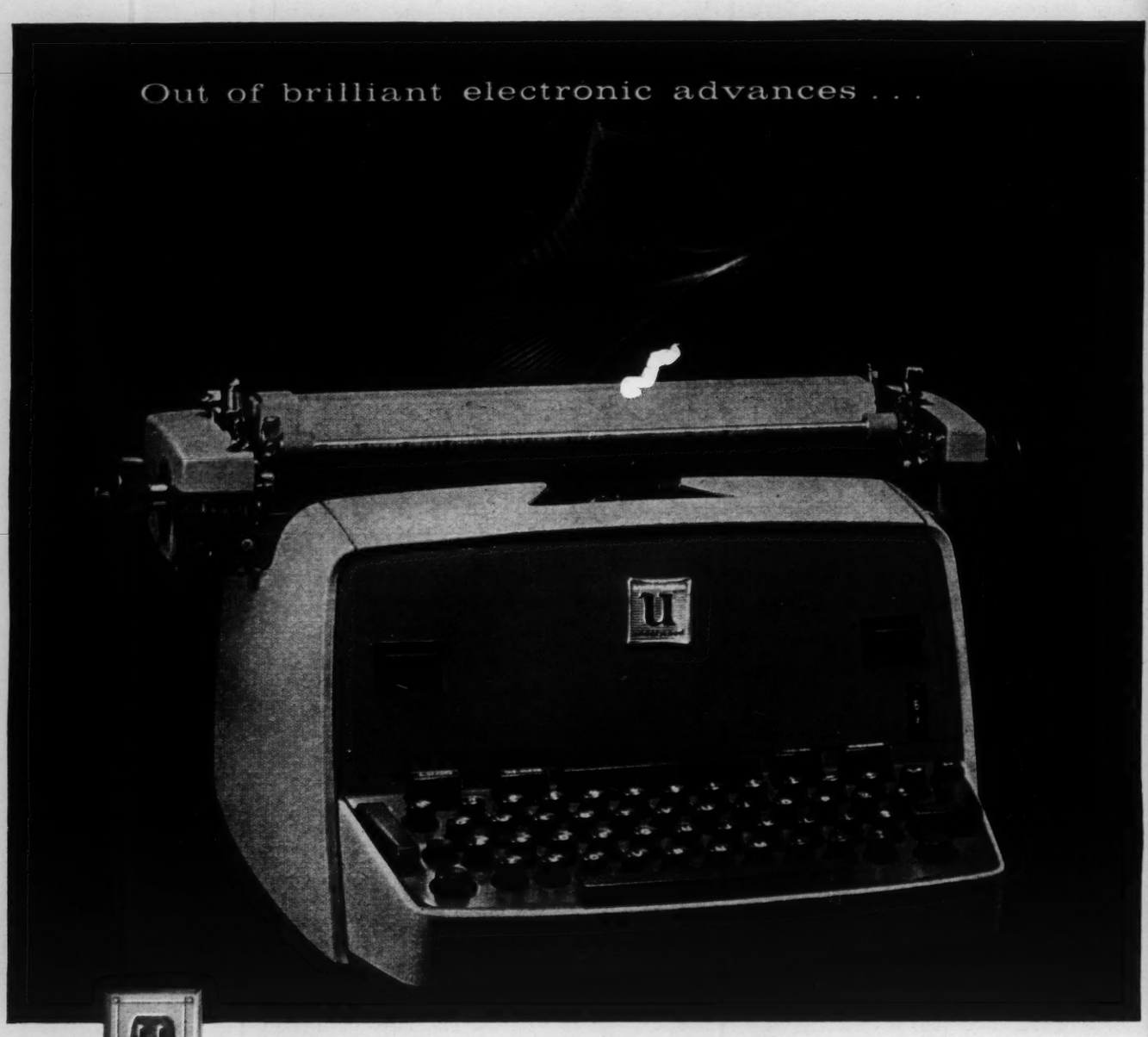

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